



Fresh allegations by Soviet miners

Fraud squad enquiry into NUM cash

By MARK SOISTER AND TIM JONES

SCOTLAND Yard has begun an investigation into the financial affairs of the National Union of Mineworkers after serious allegations of untraced money were made by a Soviet miners' leader.

The inquiry into Arthur Scargill's handling of £1.4 million got under way when two official complaints reached the Serious Fraud Office.

The move came as union members appeared to head off legal proceedings against Mr Scargill, the union president, and others who yesterday were given three months by the High Court to explain what has happened to more than £3 million which they believe should have gone to help suffering miners during the 1984-5 strike.

Allegations of theft, forgery and false accounting are understood to be detailed in two separate letters, one from a Soviet miners' leader, Sergei Massalovich, and the other from an unidentified former senior employee of the NUM.

Mr Massalovich is concerned about the whereabouts of large but unspecified amounts of money raised from 40,000 miners in the Vorkuta region of northern Russia in 1984. His letter of complaint, sent two weeks ago, was received by the Serious Fraud Office on Wednesday and passed to Commander Alan Fry, head of the Metropolitan Police Fraud Squad.

The investigation is being

INSIDE

Treasury accused

Alastair Morton, chief executive of Eurotunnel, blames the Treasury for continuing delays in building the Channel Tunnel rail link. In an article in *The Times*, he attacks the attitude to funding transport infrastructure.

Britain's decline over three decades is littered with Treasury vetoes on investment. In infrastructure, whether transportation or training, they risk proving fatal to our future, which is in Europe". Page 25

Race conflict

A man was jailed for life at the Central Criminal Court yesterday for the murder of an Indian taxi driver he left dying in the road after stabbing him 58 times. The case has revealed a disturbing conflict between police and a group of activists which monitors racial harassment. Page 5

Reshuffle benefit
Cabinet ministers dropped in reshuffles will in future receive nearly £9,000 in severance pay if a new Bill goes through the Commons. The Bill also provides for the Prime Minister and the Lord Chancellor to retire on half-pay, and for improved payments to MPs' widows. Page 8

Waldheim attack
Two protesters, Rabbi Avraham Weiss and Jacob Davidson, were dragged away after shouting "Shame for meeting Nazi Waldheim", interrupting President Kurt Waldheim's reception of the West German and Czechoslovak presidents at the opening of the Salzburg Festival. Page 9

Degree results

Degrees from the University of Dundee are published today. Page 29

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Haughey on board Celtic Mist: 'not exactly pleased'

By EDWARD GORMAN
IRISH AFFAIRS CORRESPONDENT

THE private yacht of Charles Haughey, the Irish prime minister, has been boarded and searched by a routine Royal Marine patrol in the disputed waters of Carlingford Lough which separates Co Down in Northern Ireland from Co Louth in the Republic.

The Irish Government has protested the matter through the department of foreign affairs in Dublin with the Northern Ireland Office in Belfast and Mr Haughey, who was not on the boat at the time, was said to be "not exactly pleased".

The incident, which happened on Sunday immediately started rumours, denied by military sources in Northern Ireland, that the crew and skipper of *Celtic Mist*, a converted trawler, were subjected to abuse by the Marines even

after being told who the yacht belonged to.

Speculation was further fuelled when it was discovered that Ireland's most heavily-armed naval ship, the coastal patrol vessel *Orla*, moved into the lough on Tuesday, ostensibly on routine fishery protection and security duties but unofficially to parade the Irish flag. The *Orla* is a gunboat brought from the Royal Navy two years ago and armed with a 76mm gun and twin heavy and medium machine guns.

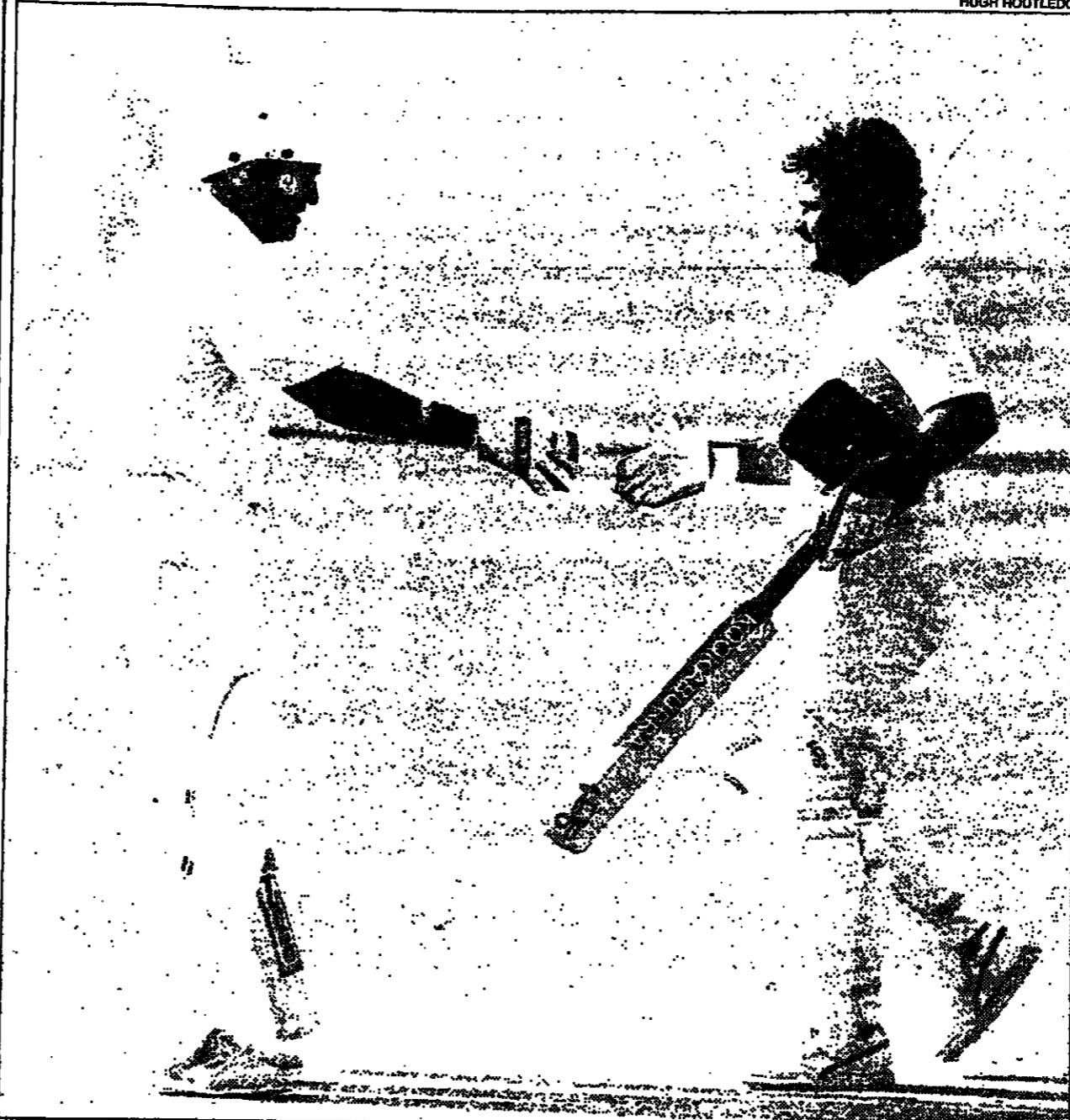
According to British military sources, the *Celtic Mist* was searched while on the move as part of routine operations designed to deter the IRA from smuggling weapons into Northern Ireland by sea. A statement said the yacht's skipper, Irish businessman Brian Stafford, signed customary boarding forms and made no objection at the time and has not done

since to the Marines' request to come aboard.

Far from insulting Mr Stafford, it is said the Marines thanked him and even saluted him before speeding away. Mr Haughey is now aboard the yacht which is cruising off the Donegal coast.

While a welcome alternative to the grinding familiarity of most Anglo-Irish disputes, this episode nevertheless points up the conflicting claims by Britain and Ireland to all waters around Northern Ireland.

Article 2 of the Irish constitution, a major obstacle to political progress in Ulster, lays claim to the whole territory of Ireland and its waters. In Carlingford Lough, the border is represented by a so-called "mean line" running roughly down the middle, on each side of which the two navies patrol. Irish nationalists do not recognise the line.



Century makers: England's captain, Graham Gooch (left), congratulates Allan Lamb on his century against India at Lord's. At the close Gooch, 194, and Lamb, 104, had helped England to 359 for two. Report, page 38

Kuwait yields to Iraq threats

From CHRISTOPHER WALKER
IN CAIRO

TENSION subsided in the Gulf region yesterday as the terms of an Egyptian-brokered peace plan to end the bitter oil and border dispute between Iraq and Kuwait were swiftly put into effect.

As diplomatic sources reported the start of a pull-back from the disputed frontier of a large force of Iraqi troops despatched there to put pressure on Kuwait, there was a consensus in diplomatic circles that Iraq appeared to have secured a number of its goals by using heavy-handed tactics.

According to Western and Arab diplomats, Kuwait has offered nearly half of the \$2.4 billion (£1.3 billion) being demanded by Iraq as compensation for oil allegedly extracted from wells on Iraqi territory.

There were also signs in Geneva of a greater flexibility being displayed by Kuwait at the meeting of the oil producers' cartel. Observers said that the Kuwaitis appeared more willing to see a rise in the benchmark price of a barrel of oil from the present rate of \$18 and had pledged to stick by production quotas they had previously floated at will.

"One aim of the Egyptian diplomatic drive has been to disguise the fact that Kuwait has already begun to give in even before the weekend talks in Saudi Arabia," said one Cairo-based diplomat. "So far, Iraq has come out on top."

• Petrol up! Shell UK yesterday became the second big oil company to raise its price for four-star petrol by more than £2 a gallon, reacting to the Opec-induced rise in the international cost of petrol.

Saving face, page 11
Leading article, page 13
BP warning, page 23

Kinnock alerts party for election next June

By PHILIP WEBSTER, CHIEF POLITICAL CORRESPONDENT

NEIL Kinnock yesterday told the shadow cabinet to prepare for a general election in June next year, warning them to be ready for the government to relax its high interest rates and tough spending policies to clear the path for a snap poll.

The Labour leadership, meeting in south London as parliament rose for the summer recess, decided to intensify campaigning over the coming months on the economy, Europe, the quality of life, and the family.

At a press conference last night at Maritime House, the headquarters of the National Union of Seamen, Mr Kinnock said Labour would have to combat the Conservative strategy of "lies and bribes". Despite the government's present economic difficulties, it would slacken off its squeeze and encourage spending at some stage. He said: "You can more or less set your watches for an election between four and six months from the time the slackening starts."

The Labour leader said there had been some slippage

in the so-called golden scenario for an election early next summer, but it was still possible that, in desperation, the government would ignore economic realities. "We are working on the basis of the primary date for the general election being in June of 1991."

In an end-of-term report to the shadow cabinet, Mr Kinnock concentrated on putting his team on an election footing. "The Tory policy will be to spend a little and slacken off a little in order to open up a short-run opportunity to call a snap election. Our task will be to warn of what they are attempting to do in order to buy a quick election."

He said that John Major, the chancellor, was deliberately handing out bad news at present to reduce expectations, and so enable him to exaggerate any subsequent small shift the other way.

With Labour enjoying a sustained lead in the opinion polls, yesterday's gathering, unlike similar summits in the past, was held in a buoyant atmosphere. Mr Kinnock said

there had been justifiable satisfaction, but no complacency, at the way the policy review had been completed and the public response to it. He claimed that Labour was now known to be the party that sought to give opportunity so that people got prosperity: a party that was for the competitive economy, the fair society, and the exercise by Britain of maximum influence on Europe's future.

Labour's policies on European economic and political union are expected to be developed over the coming months. After the annual conference in the autumn, but before the Community's inter-governmental conference on

Continued on page 22, col 7

Liberal offer, page 2
Ben Pimlott, page 12

The murderous mountainside



The Matterhorn has claimed 500 lives since it was first climbed 125 years ago. Ronald Faux on the mountain that still draws an army of potential conquerors

Plus . . .

The Soviet army's retreat to Moscow, swimwear-style dresses, Bernard Levin on the Peloponnesian war, Jonathan Meades puts on a tie (spotty) to eat (poorly), Usk Castle's luxuriant garden, arts, books and much more

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MacGregor proposes to increase emphasis on teaching historical facts

By TOM GILES

THE Government is to allow greater freedom in the teaching of history as part of the National Curriculum, while increasing the emphasis on the grasp of historical facts and dates.

John MacGregor, the education secretary, yesterday announced proposals for the study of history for children in England, aged five to 16, in which many of the compulsory requirements recommended in the final report of the history working group in April have been dropped.

The proposals come after months of public debate on the balance between dates and understanding in history caused by the publication of the working party report. They have been sent to members of National Curriculum Council, who will consult teachers and other groups before submitting its own recommendations to the education secretary in December.

Mr MacGregor said yesterday that pupils

would be assessed primarily on their historical knowledge and understanding and would receive a "balanced and thorough grounding" in British, world and European history. Underlining the shift in emphasis towards facts, he said that the working group's title for the first target for learning history was not clear; it would therefore be changed from "Understanding history in its setting" to "Knowledge and understanding in history".

"Although I recognise that all the attainment targets proposed by the working group presuppose the mastery of knowledge, the first target seems to me to measure most directly what pupils have learnt from their historical studies," he said. Marks used in the calculation of National Curriculum test scores would therefore be weighted in favour of this target.

Whitehall sources said that the decision reflected common agreement between Margaret Thatcher and Mr MacGregor that the original

recommendations of the working group had not attached enough importance to children's learning of facts. "This shows that both regard the facts as extremely important. The changes reflect the Prime Minister's particular interest in this area."

The second and third attainment targets recommended by the working party are unchanged under the new proposals. Teachers must therefore ensure that pupils "acquire and evaluate historical information" and develop "points of view and interpretations of history" but the importance of these skills will be downgraded by the extra weighting given to knowledge and understanding of history.

Although the essential content of the detailed history courses would remain intact, Mr MacGregor said that he would drop the working group's decision to make compulsory exemplary and illustrative details. In the Medieval Realms course (1066 to 1500) for children aged 12 to 14, for example, teachers would no longer have to

give details of the Battle of Bosworth, Wat Tyler or the origins of parliament. Such information would instead be made optional in order to simplify the course.

The number of compulsory courses would also be reduced for children between the ages of seven and 14 to reduce what Mr MacGregor described as the apparent complexity of the working group's proposals. The reduction in course detail follows the concern expressed by Mrs Thatcher and those on the right wing of the Conservative party that the original recommendations would inhibit teachers' creativity and professionalism.

The influence of Mrs Thatcher in drawing up the proposals was criticised by Jack Straw, Labour's education spokesman, who said: "Factual knowledge is essential to the teaching of history, but reports of the prime minister's interference in the history curriculum raise quite different questions with sinister implications. She appears to want to lay down what facts children

should be taught, but the national curriculum can only work if there is wide agreement about it across the political spectrum."

In spite of pressure to put greater emphasis on courses in British history, Mr MacGregor has left intact courses covering topics in Asian, European and ancient Mediterranean history. Dr Chris Husbands, of the Historical Association, which represents 7,000 history teachers and specialists, welcomed the decision. "Mr MacGregor should be applauded for not cutting the courses back to a British history alone."

A judgment on testing arrangements for history, crucially on whether facts and dates should be tested separately from other elements of the curriculum, will not be made until next year when the Schools Examination and Assessment Council receive the intended proposals. Mr MacGregor has insisted that the original timetable to begin National Curriculum history in the autumn of next year can still be met.

Labour shuns Liberal deal to split power in Liverpool

By RONALD FAUX

THE ruling Labour group on Liverpool city council has rejected offers of a two-year power sharing deal with the Liberal Democrats aimed at bringing financial stability to the city after the suspension of more councillors by the Labour party's National Executive Committee.

Altogether 29 councillors have been suspended. The latest group of 14 refused to support rent rises to balance the city's budget.

Harry Rimmer, the Labour leader of the council, said yesterday there would be no coalition in the city. Only two months ago, he said, the overwhelming majority of Liverpool voters had voted for a mainstream Labour administration to run the city and the Liberal Democrats had lost heavily. "In the circumstances I can see no purpose in entering into a pact with them," he said.

Paul Clark, leader of the Liberal Democrats on the council, said rejection of an agreement meant that the executive decision to suspend the Labour councillors was no more than a public relations exercise. "He (Mr Rimmer) has a straightforward choice of entering into a coalition with us or allowing the militants to continue to control affairs in Liverpool," he said.

Refusal to enter into a coalition could spell trouble for Labour if the suspended Labour councillors and the Liberal Democrats join forces to oppose issues designed to bring the city's finances into good order. Labour could be reduced to 33 "moderates" against 27 Liberal Democrats and the 29 "hard-left" Labour supporters.

Mr Rimmer believes the suspended councillors will continue to vote with the Labour group on important issues, but other sources in the Labour party think this conclusion is less well-founded.

Phil Kelly, the city trea-

surer, will tell the finance committee on Monday that Liverpool is heading towards a £3.6 million deficit by the end of the financial year. That could worsen if the council's policy of selling land and other assets runs into difficulties because of the sluggish property market.

The target of £83.2 million in capital receipts seems to stand little chance of being achieved and the finance committee will be told that the potential for income this year now looks to be closer to £58 million.

• The Labour party yesterday demanded that the prime minister set up an independent inquiry into the financial arrangements made during the sale of the Rover group to British Aerospace (Richard Ford writes).

The opposition also called on the National Audit Office and the Commons public accounts committee to reopen their own investigations after claims that evidence of additional "sweeteners" had been kept from them. Gordon Brown, the shadow trade secretary, said that an independent enquiry was needed after the discovery that MPs were not given all the evidence about the sale.

Assurances about the question of future financial assistance for BAE were given in a letter sent by the trade and industry department to Professor Roland Smith, chairman of BAE, in July 1988. The department failed to show the letter to MPs when other correspondence regarding the sale was made available.

Mr Brown said that evidence he was sending to Margaret Thatcher would demonstrate that despite a promise that all the correspondence and details about the sale of Rover had been issued, a vital letter had been kept back by the government.

Leading article, page 13

Women urged to be more positive

By RICHARD FORD, POLITICAL CORRESPONDENT

WOMEN are still failing to be chosen for the most senior posts on government bodies in spite of an improvement in their overall representation on them since 1986.

Yesterday they were urged to stop underplaying their skills on application forms and encouraged to adopt a more positive approach to ensure their names enter the system for public appointments.

At the launch of an advisory handbook aimed at increasing the number of women considered for public appointments, Angela Rumbold, minister of state at the Home Office and chairman of the ministerial group on women's issues, said that women formed 23 per cent of those serving on public bodies, a rise of 3.9 per cent between 1986-9. "I fear it is not good enough. We are making progress and I believe we can see that number grow."

Officials in the Cabinet Office said that many of those appointed were to the low and

middle ranks of public bodies and that women may face discrimination if it is insisted that they must be at the top of a career before being considered for senior posts. Women were urged to interpret broadly the requirements for senior appointments particularly if they had taken time off from their careers to have a family.

The handbook gave a warning that a requirement or custom that people be at the top of a profession might exclude women with relevant skills being given senior consideration by ministers.

"It may be discriminatory against women who have not yet reached the highest levels, or reached them later in life because earlier in their careers they were obliged to put more time and energy than most male colleagues into meeting family commitments," the handbook said.

Liz Gill, page 17

By RUTH GLEDHILL
RELIGIOUS AFFAIRS REPORTER

THE WELCOME for the Right Rev George Carey as Archbishop of Canterbury designate gathered pace yesterday as church leaders recovered from their surprise at the speed at which the decision was reached.

Senior churchmen said one possible source of conflict could be reconciling his commitment to unity with the Roman Catholic church to his support for the ordination of women to the priesthood.

Peter Stanford, editor of the *Catholic Herald* and one of the few to predict that Dr Carey would be chosen to succeed Dr Robert Runcie, said yesterday that unity with the Roman Catholics would be

Defence chiefs face complex decisions on Rhine

By MICHAEL EVANS
DEFENCE CORRESPONDENT

THE status, structure and deployment of the reduced British Army of the Rhine are the main issues confronting the military staffs responsible for implementing the changes announced on Wednesday by Tom King, the defence secretary.

There is no ready-made blueprint for reorganising the three divisions stationed in West Germany, consisting of 19 regiments, 12 of them armoured, into a 25,000-strong army. Under Mr King's plan, there will be one division left in West Germany and one at home, which, for the first time, will have armoured brigades. This is an important step. Today the fourth division, committed to the Continent but based at home, is purely infantry. It means that members of tank regiments returning to the UK will have a role.

Before troops are withdrawn, however, there will have to be a complex formula, drawn up and agreed with Bonn, under which half the estate — barracks, garrisons, workshops and other facilities — are handed back to the Germans. Most of the barracks were taken over by the British at the end of the second world war and British tenancy was formally arranged later by the Status of Forces Agreement.

Land for defence purposes is provided free of charge by Bonn, but the defence ministry owns some of the buildings and other facilities. Many facilities are either privately leased or owned by the West German government, and made available without charge, with the defence ministry assuming responsibility for maintenance and repairs.

According to diplomatic sources, the government consulted Bonn about the proposal to keep 25,000 soldiers in West Germany, with fewer than 25,000 men. Below that ceiling Britain would have only a minor role. Many senior officers would have been happier to keep two divisions in West Germany rather than have one of them back home, although it is accepted that one is feasible.

The argument for 25,000 won the day, although for some time there were others calling for a total army strength of only 80,000, half the present strength. With such a small army, the commitment to Northern Ireland would not have been sustainable, let alone an effective presence in Germany.

These internal battles were fought on the general staff's premise that the British Army of the Rhine still had a role similar in kind if not in size to the one it had performed for 45 years. By the time the rearrangement of barracks, training areas and service quarters had been agreed between Bonn and London, however, it may be that that premise will no longer be valid, at least in West Germany's eyes.

Army sources in West Germany said they had expected troop numbers to be reduced to some 25,000. The Commons statement had not created alarm in BAOR, but the sources emphasised that Mr King should keep his promise of creating a better equipped as well as a smaller army. The one fear was that the Treasury would prevent any service dividend arising from the "options for change" exercise.

General Chapple also argued that it would not be possible to sustain the capab-



Ground crew prepare Flight Lieutenant John Campbell's Phantom for takeoff at RAF Wattisham (top); and Captain Albert Ball, killed in action in 1917, and the squadron crest

Unsure future for the phoenix squadron that has risen twice

By ALAN HAMILTON

THE crest of 56 Squadron, RAF, is a phoenix and its motto "What if heaven falls?" is not without significance in this piping time of peace. Disbanded and re-formed twice in its 74-year history, the squadron may find that heaven falls on it yet again as the armed forces face substantial reductions.

Should that happen, it would end a glorious career that began in June 1916, when 56 Squadron was formed as part of the Royal Flying Corps two years before the RAF was born. They went to France in April 1917 and by the end of the first world war they had shot down 427 enemy aircraft and accumulated two VCs.

One of those decorations

was awarded posthumously to Captain Albert Ball, the Allies' answer to the Red Baron, who brought down the squadron's first hit over Amiens in his Nieuport biplane on April 23. By the time he was shot down and killed only two weeks later he had 47 German aircraft to his credit. Captain James McCudden, the other VC, was more fortunate. He survived to have it pinned to his breast by King George V.

Disbanded in 1920 and re-formed a week later, 56 Squadron and its Sopwith Snipe survived until the second world war, when its Hurricanes joined in the Battle of Britain. During the war the squadron shot down 130 enemy aircraft and 63 flying bombs with its Typhoons, Tempests and Spitfires.

The end of the war brought

another disbandment, but only for a day. On April 1, 1946, it was re-formed to fly the Gloster Meteor, which served 56 Squadron better than its replacement, the Supermarine Swift, which lasted in service barely a year.

The squadron was equipped with Lightnings in 1961 and had a nine-year tour of duty in Cyprus. It came home to Wattisham, Suffolk, in 1976

to fly Phantoms. Now, however, the Phantoms, under the command of Wing Commander Barry Titchen, must soon go the way of the Typhoon and the Hurricane, for obsolescence in fighting machines makes the ageing of man seem almost slow.

The squadron has survived two wars with honour and justifiable pride. The peace may be a little more difficult.

The end of the war brought

A bad case of business blues

FOR about 100 years a thriving family business with headquarters near London Bridge has crafted brilliantly embroidered regimental colours, tailored tunics of bright red, dark green or blue cloth, Sam Browns, belts, caps, hats; all the paraphernalia of ceremonial attire associated with the British Army (Michael Evans writes).

Today, Hobson & Sons, which employs 200 people and has factories in Thundersley, Essex, and Deptford, south London, is one of

41, has a son aged nine who might one day join the business. "That's if there is a business to join," he added. "We do ceremonial items. We used to do a lot of exports to Africa but a lot of the countries went Marxist and they don't wear ceremonial uniforms any more. They just wear combat uniform. So the MoD is our biggest customer."

"We make uniforms for many of the regiments, except the Guards. Theirs are made in Savile Row."

New charge

An Irish student held under the Prevention of Terrorism Act was yesterday further charged with conspiring to cause an explosion when he appeared at Lambeth magistrates' court. Kevin Barry O'Donnell, 20, of Wilbripton, near Gourock, Scotland, had been charged with possessing firearms with intent to endanger life.

Life for boy, 16

Lee Costello, a schoolboy aged 16 who bludgeoned to death Tasleen Akhtar, aged 11, near their homes in Sparkhill, Birmingham, last December, was jailed for life yesterday after pleading guilty to murder at Birmingham Crown Court.

CORRECTION

The managing director of the Daily Telegraph plc, mentioned in the Charles Wintour media column on Wednesday, is Mr P. J. D. Cooke, not Mr Jeremy Deedes, who is the executive editor.

Reading The Times overseas editions, \$2.75; Berlin, \$2.50; Paris, \$3.00; London, £1.50; France, £1.00; Germany, DM 9.00; France, £1.00; Holland, C1.50; Italy, £1.00; Australia, £1.00; New Zealand, £1.00; Norway, £1.00; Sweden, £1.00; Switzerland, £1.00; Spain, £1.00; Portugal, £1.00; Greece, £1.00; Turkey, £1.00; Japan, £1.00; South Africa, £1.00; South Korea, £1.00; Thailand, £1.00; India, £1.00; Pakistan, £1.00; Sri Lanka, £1.00; Bangladesh, £1.00; Nepal, £1.00; and in the Philippines, £1.00.

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The Guinness case

QC demands finding of guilt for 'greedy' four

By PAUL WILKINSON

GUILTY verdicts in the Guinness trial would show that dishonest and dishonourable behaviour on the scale reached during the Distillers takeover would not be tolerated, the jury was told yesterday.

John Chadwick, QC, for the prosecution, told Southwark Crown Court in London that the four defendants had been spurred on by greed and ambition, eager for the rewards of huge financial gain. In particular, Ernest Saunders, Guinness's former chairman, had pressed on without regard for his company's shareholders, offering secret payments on a grand scale to those prepared to back an illegal share support operation that would win him control of Distillers.

Gerald Ronson, head of the Heron Group, Anthony Barnes, a stockbroker, Sir Jack Lyons, a financier, and Mr Saunders deny 22 counts alleging theft, fraud and breaches of the Companies Act during the Distillers takeover. They are accused of participating in a share support operation intended artificially to enhance the value of Guinness shares during the bid.

Ending his closing speech to the jury on the ninety-third day of the trial, Mr Chadwick said: "This case has shown how ambition and greed can cause men to behave dishonestly and dishonourably. This case is not about minor breaches of technical rules relating to takeovers. The Guinness takeover of Distillers was a shocking example of dishonest conduct. The dishonest conduct is that of these four defendants. Mr Saunders was so determined to win that

EC ruling on fishing is upheld

THE House of Lords cleared the way yesterday for more than 50 Spanish-owned fishing vessels to count their catch as part of the British quota in the light of the recent ruling by the European Court of Justice (Frances Gibb writes).

The Lords granted a formal order to the Spanish owners of 53 named vessels restraining Cecil Parkinson, transport secretary, from "withdrawing or withdrawing" their registration in the register of British fishing vessels. That order will remain in force until a final ruling by the European Court in Luxembourg, not expected until early next year, on the Spaniards' legal challenge to new domicile and residence conditions.

The conditions were brought in under the Merchant Shipping Regulations 1988 to try to protect the interests of the home fleet.

Yesterday's move in the Lords is the latest in the fishing rights dispute which has developed into a legal test case with constitutional implications. The European Court held earlier this year that courts in the United Kingdom could suspend provisions of an act of parliament, pending a final ruling on whether they breached EC law.

The trial continues today.

Some Royal Mail advice on keeping a shirt on in Tonga

By ROBIN YOUNG

BUSINESSMEN who lose their shirt in Tonga are solemnly advised by the Post Office today that they are breaking the law. It is illegal, says the newly published first edition of the *Royal Mail International Business Travel Guide*, not to wear a shirt in public in Tonga.

The book, which has pages of detailed information on every country, notes that in Albania a nod of the head means "no" while a shake means "yes". In Greece, throwing back the head is a negative gesture, while the Japanese think it impolite to say "no" at all so they say "yes" vaguely instead.

In the Central African Republic it is necessary to show caution and discretion when photographing local people, and then to send your film back to Europe for processing. You must not photograph the palace, the airport, government offices or the monetary authority buildings in Lesotho at all.

In Samoa it is important not to make any noise even when swimming offshore in the early evening for fear of disrupting the Samoan prayer period, and in Nepal all



Dressed to shoot: Members of the London Practical Shooting Club firing a volley at the 400-yard Century Range at Bisley camp, in Brookwood, Surrey, yesterday. The ceremony was a re-enactment of events of 100 years ago when the first shot was fired at Bisley

£20,000 fine for Private Eye contempt

THE editor and publisher of *Private Eye*, the satirical magazine, were fined £20,000 for contempt by the appeal court yesterday over two articles about Sonia Sutcliffe, the wife of the Yorkshire Ripper.

They were also ordered to pay the estimated £50,000 costs of the appeal and the High Court hearing before Mr Justice Popplewell in March. The judges told Ian Hislop, the editor, that he had 14 days to pay his £10,000 fine and that failure to do so would result in a six-month jail sentence.

After the hearing he said: "I am disappointed; Mr Justice Popplewell decided there was no contempt and now the Court of Appeal has said there was a serious contempt. The fine isn't huge, but we have paid fairly heavily for this long and dreary action."

Sir Patrick Mayhew, QC, the Attorney-general, originally sought to jail Mr Hislop for the two articles, which appeared in February last year. Three months later Mrs Sutcliffe, aged 38, was awarded record damages of £600,000 against the magazine, published by Pressdram, but the sum was reduced to £60,000 by agreement. The Attorney-general did not, however, press for committal.

Lord Justice Parker, sitting with Lord Justice Nicholls and Lord Justice McCowan, ruled that *Private Eye* and its editor had been guilty of a serious contempt. Mr Justice Popplewell's finding that the articles were intended to deter Mrs Sutcliffe from pursuing her claim and were not published with the intention of influencing jurors was not challenged.

Lord Justice Parker said "a more blatant attempt to put pressure on Mrs Sutcliffe it would be hard to imagine". Mr Hislop accepted that the articles were very damaging and would blacken the name of Mrs Sutcliffe.

The judges said the articles "went far further than fair and temperate criticism" and constituted a serious risk of prejudice. Mr Hislop and Pressdram are considering an appeal to the House of Lords.

The trial continues today.

Aids scourge predicted for 1990s

By THOMSON PRENTICE SCIENCE CORRESPONDENT

AT LEAST three million women and children around the world will be killed by Aids in the next nine years, and a million other children will be orphaned by the disease in the 1990s, the World Health Organisation says.

Aids has become the leading cause of death among young women in big cities in the United States, Europe and sub-Saharan Africa, and could increase infant and child mortality in some areas by 30 per cent, the organisation says in today's issue of *The Lancet*.

The prospects are among the bleakest yet produced by WHO on the pandemic, and they are accompanied by a warning that in some parts of Africa, the figure for adult

Aids deaths could soon exceed the expected number of deaths from all other causes.

The report by James Chin, head of the WHO's Aids forecasting unit, says that while HIV infections among homosexual and bisexual men are decreasing in most parts of the world, a slow but steady increase in heterosexual transmission has been recorded.

This trend is most pronounced in Latin America, especially in the Caribbean, but large increases are also occurring in sub-Saharan Africa.

Dr Chin says there is evidence that the virus is spreading from African cities into rural areas and he predicts that that these cases will have an enormous impact on health services.

"During the 1990s, not only can hundreds of thousands of

paediatric Aids cases be expected, but also more than a million uninfected children will be orphaned because their HIV-infected mothers and fathers will have died from Aids," he says.

The organisation calculates that there were about 500,000 cases of Aids among women and children in the last decade, most of which were undetected. The experts predict that there will be 150,000 Aids cases in African women in 1992 alone, and a further 130,000 cases in African children. "As for most Aids patients in Africa," the report says, "the diagnosis of the disease in women and children in this continent will be followed by death within a year, unless substantial improvements can be achieved with newer treatments."

BRITISH children take little regular physical exercise, and seldom make their hearts and lungs work hard enough to benefit their health, a study published in the *British Medical Journal* today shows (Thomson Prentice writes). Girls are less physically active than boys, and their levels of activity decrease while they are at secondary school. Exeter University researchers found. Three out of four boys and nine out of ten girls did not have sufficient activity on three school days and one Saturday they were monitored. Barbara Amiel, page 17

Children 'lack exercise'

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Decline in ITV's quality 'would hit BBC'

By MELINDA WITTSTOCK MEDIA CORRESPONDENT

A DECLINE in quality programming in commercial radio and television would make it more difficult for the BBC to maintain high standards, the BBC said in its annual report published yesterday. "Any changes in the general broadcasting environment are liable to have immediate consequences for the way the BBC performs its function," the board of governors said in their review of the year 1989-90.

The BBC has approved measures to save £75 million a year by 1993, including an annual saving of £25 million from contracting out both programme-making and administration services and a £5 million a year saving in the news and current affairs department. The BBC will also look at "all possible ways" of exploiting its resources, selling programmes to BSB and Sky and sponsoring sporting and artistic events.

BBC Enterprises, the corporation's commercial arm, doubled its turnover to more than £200 million during the year, but overall costs had continued to rise faster than inflation. Michael Checkland, the director-general, said that higher pay and the 25 per cent independent production quota would inevitably result in job losses.

The BBC received a large number of complaints which involved claims of political bias and two programmes marking Margaret Thatcher's ten-year anniversary as Prime Minister provoked the strongest reactions. Interviewing techniques were also attacked, with many callers linking their dislike of certain interviewers with claims of political partiality.

Sexual themes also attracted criticism, with Dennis Potter's TV serial *Blackeyes* provoking more than 200 complaints about its "gratuitous" sexual content.

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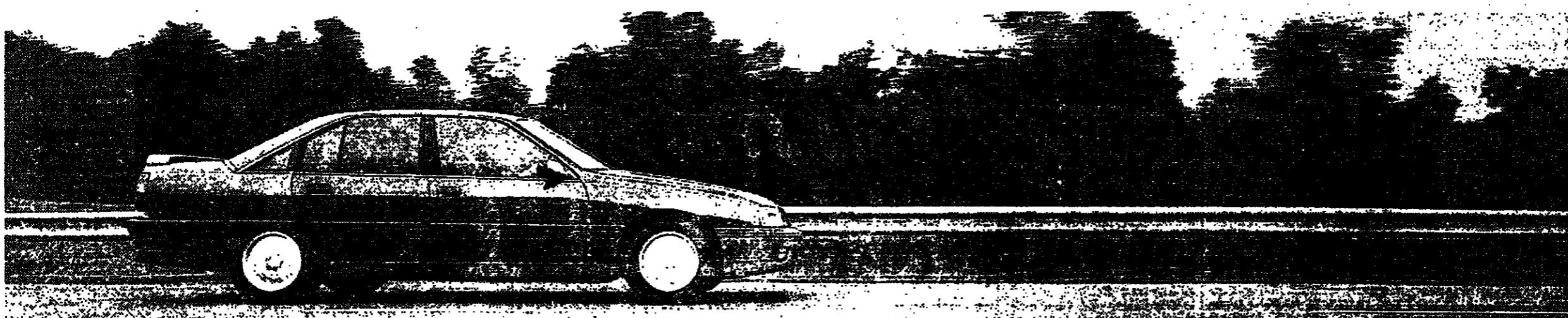
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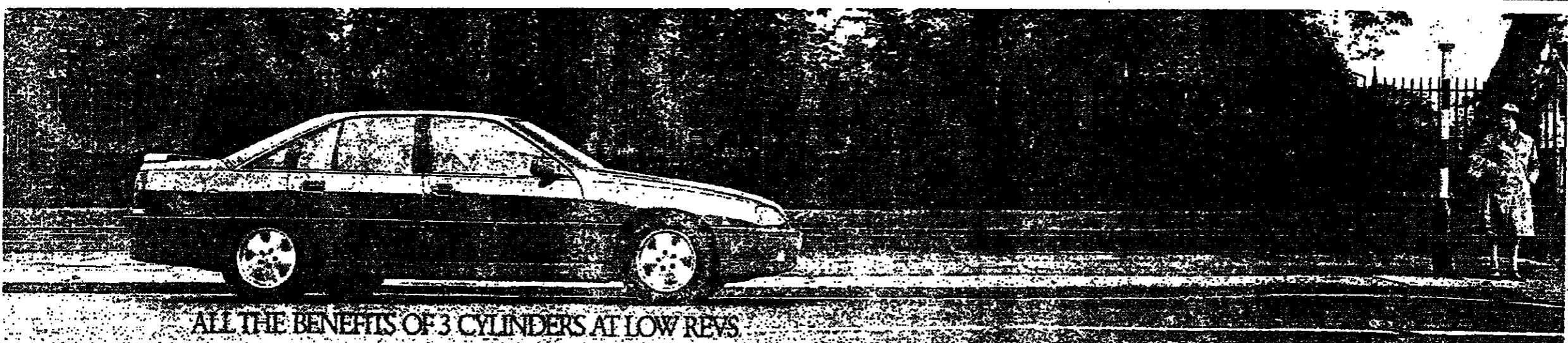
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Judge says murder was not racial

Man who killed Indian taxi driver jailed for life

By MICHAEL HORSNELL

A MAN who left an Indian taxi driver dying in the road after stabbing him 38 times was sentenced at the Central Criminal Court yesterday to life imprisonment. The case led to demonstrations and protests from a group of Asian activists which monitors ethnic harassment after police refused to deal with the crime as a racial killing.

Sentencing Steven Coker, aged 22, the judge said that he wanted to put on public record that there was no evidence the attack was racially motivated. Coker, unemployed, of Southall, west London, was heavily under the influence of drink and

drugs when he stabbed Kuldeep Singh Sekhon, 35, to avoid paying a £2 fare.

Mr Justice Judge told him: "Inflamed by a mixture of drink and drugs, you struck down an innocent stranger working late at night as a cab driver to help meet his family responsibilities. Even now, I can detect no sign of remorse for what you did."

Coker denied murder but the prosecution refused to accept his plea of guilty to manslaughter.

The start of the trial two weeks ago was postponed for a day when the Southall Monitoring Group handed out leaflets outside the court

protesting that the murder of Mr Sekhon, who worked as a caterer at Heathrow but drove taxi to make extra money, was racial. Two of the leaders were warned by the judge that the leaflets could prejudice potential jurors. However, the judge said yesterday: "The colour of that man did not matter. All that matters is that a good family man was the victim of a wicked crime."

Coker's girlfriend, Sarah Eyles, aged 22, unemployed, from Cranford, west London, left the dock weeping after the jury cleared her of perverting the course of justice by washing his

bloodsoaked clothing. She was also said to have helped Coker to dispose of the murder weapon, but said that she was terrified of him.

Michael Worsley, QC, for the prosecution, said that Coker was "stated" when he hired Mr Sekhon to drive him to his girlfriend's home on November 11 last year. Mr Sekhon, married with five daughters, was left dead at the end of the short journey by Coker who calmly walked the remaining few yards to Miss Eyles's home.

Coker was said to have been dripping with blood when he arrived and asked her to wash his clothes.

Case highlights conflict between police and monitoring group

By MICHAEL HORSNELL

THE murder of Kuldeep Singh Sekhon revealed a disturbing conflict between police and a group of activists which monitors racial harassment in west London.

The Southall Monitoring Group (SMG), which has nationwide links with similar groups, said that the killing by Steven Coker, aged 22, was the latest in a series of acts of racial violence and was deliberately "shorn of any racial motivation" by the police. The group says that there have been at least 50 racially motivated murders in Britain in the past ten years and claims that 30,000 racist attacks occur every year.

Police cannot confirm these statistics and say that the Sekhon killing has been cynically used by the Southall group to undermine the painstaking efforts of the police to ease racial tension and to improve community relations. Although it keeps no central statistics, the Home Office accepts that racism is a worryingly large problem and emphasises that there is strong evidence that many incidents are not reported.

After an initiative in 1988 by Sir Peter Imbert, the Metropolitan police commissioner, to combat racism, measures taken in Hounslow, west London, and approved by senior Asian leaders, have been met with scorn by the Southall group. Senior officers claim that police efforts are containing racism in Hounslow and this view is supported by moderate Asians, including Jagdish Sharma, a borough councillor and chairman of the ethnic minorities sub-committee.

Chief Insp Alan Chambers, the borough's community liaison officer, says that he is concerned about the motives of the SMG. "The group is in danger of polarising the community. They have used this tragic death as a political issue. They have tried to use it to promote the notion that violent racism is rife."

"We are looking at integration, community peace and harmony, and they are working in the opposite direction. They are constantly attempting to undermine the credibility of the police. I don't know what they hope to achieve." He said that three recent attempts to organise a meeting with the Southall group to discuss their differences with police have been ignored. The Crown Prosecution Service said that, on police evidence, it was not its contention that the killing was racial.

Det Supt Stewart Hull, who was in charge of the case, said: "The SMG think it was a racist murder but base it on the absence, to their knowledge, of any other motive. Guessing it was a racial attack is as bad as any other guess. My belief is that it was more to do with robbery or non-payment of fares. If I had any evidence to suggest it was a racist murder I would have made it public."

The Southall group maintains that Coker was a known perpetrator of attacks on Asian families in Ealing and Hounslow and cites as evidence one of two previous convictions for actual bodily harm on an Asian in 1988. Police maintain, however, that the attack was straightforward robbery.

Jagdish Sharma believes the killing was racial, but adds: "I would certainly say senior officers are keen to make people know they are very serious in dealing with racial problems. I say that sometimes the SMG highlights matters and goes beyond the borderline."

David Mayer, locum senior officer of Hounslow racial equality council, said: "I think that race relations here are extremely good, but within some communities and estates there are pockets of serious racism. The police take matters seriously, though there is always room for improvement and there have been cases where they did not react as forcefully as they might. It is not the first time that the Southall

Monitoring Group, which was first funded by the Greater London Council in 1982, has been involved in controversy.

A grant from Hounslow council was frozen earlier this year while an internal review was carried out after allegations by two former case workers. The review found "weaknesses in the administrative and financial practices at SMG" and laid down a number of conditions for its management. However, it was agreed to release outstanding grant support suspended from last year's allocation and funding for the first two quarters of 1990, which has been set at £27,185.

The neighbouring borough of Ealing, which had agreed a grant of £40,000 plus another £18,300 if available for the year, withdrew all support on May 30 when the local election returned a Conservative administration.

The SMG was responsible for setting up the Sekhon family support group, which called on "all anti-racists to



Coker: a killer "inflamed by a mixture of drink and drugs"



Eyles: cleared of perverting justice by washing bloodstained clothes

an SMG-organised march in west London on the day of Mr Sekhon's funeral as well as a strike by mini-cab drivers and others.

Police, who maintain that the demonstrations were politically motivated, had already clashed with the Southall group over another notorious case last year involving the Kajlas, an Asian family found out of their officce on the Sparrow Farm estate in Feltham after 18 months of abuse and attack.

After several severe beatings the Kajla family was ordered to display two posters, one a photograph of Salman Rushdie with the slogan "Rushdie in Pakis out" and the other of Enoch Powell with the caption "Enoch says keep the Farm white".

Police accept that incidents were not always handled perfectly but say that resources allocated to the protection of the family were greater than any previously given to a local enquiry with the exception of murder investigations. In spite of convictions eventually being obtained against 12 of 19 people arrested during the affair, police were regularly accused by the SMG during the investigation of failing to take adequate action.

Relations between the police and the SMG came to the boil after Chief Supt Alistair McLean offered the group a meeting, only to receive the puzzling reply: "We are concerned that you do not consider the above case to be serious enough to warrant a meeting."

Last year police launched a three-pronged campaign against racial violence and harassment in Hounslow. A special squad was set up to investigate all reports, with the back-up of senior detectives, when major incidents occurred. A survey was made of the mainly Asian community of shopkeepers, who replied that they had no special concern and there was a leaflet campaign aimed at all households which encouraged people to report incidents.

The result was a 217 per cent increase last year in reported race cases compared to 1988. The statistic appears alarming but police attribute it to their success in encouraging Asians to report abuse.

Throughout the year, 168 cases were reported. Of these, three were of grievous bodily harm, 21 of actual bodily harm, and 18 common assaults, all these categories leading to 22 arrests. There were also 28 cases of criminal damage and 96 "non-crime" incidents of verbal abuse, usually disputes between neighbours of different races which police try to resolve through one-to-one conciliation in the presence of an officer.

Until the end of April this year, police dealt with a further slight increase in reported incidents, including one of grievous bodily harm and eight of actual bodily harm, bringing four arrests.

Rene Gill, a spokeswoman for the SMG, insisted that Mr Sekhon's murderer was racially motivated. She said: "Assaults and harassments are countless, but the police do not take proper notice. We have to tell them such-and-such an incident was racial. We should not have to do that."

"We are asking the courts to recognise racial attacks and murder for what they are and police to acknowledge it when an attack is racial. We want to see the courts slapping down on it and recognising racial motives. If the police and courts can make it known that they are clamping down, then hopefully the perpetrators will take notice and think twice before committing attacks like these."

The SMG said yesterday that police claims that the group had made political capital of the murder were "a predictable response". The group said it was unable to confirm or deny that it had been offered meetings by the police but said it would like to speak to them.

Hundred prisoners may face rioting charges

By RONALD FAUX

AN ARMOURED makeshift spears, clubs and coshes collected from Strangeways prison, Manchester, after the 25 days of rioting was displayed yesterday by Greater Manchester police.

The debris from the longest siege in the history of the prison service included an imitation rifle, a Molotov cocktail and 40lb of ball-bearings in a plastic bowl. Det Chief Supt Arnold Beales, who is heading the enquiry into the riot, said that none of the weapons on display would be used in evidence when trials resulting from the riot begin in about a year.

He said the enquiry, now in its seventeenth week and the biggest criminal investigation carried out by Manchester police, had established that the riot had been planned by about a dozen inmates. He said that more than a hundred prisoners might face charges ranging from murder, conspiracy to murder, grievous bodily harm, rioting, serious criminal damage and arson. A remand prisoner, Derek White, died in hospital after being brought from the prison with head injuries.

Mr Beales said that the injuries inflicted on many people who could be classed as sex offenders was a serious element of the disturbances. Those assaults had been an orchestrated operation. The planning and actual start of the riot were also in his view serious aspects of the enquiry, but some of the reports emerging from Strangeways had proved to be grossly distorted or untrue.

There was no evidence of anyone being castrated. Reports of people hanging from, or being thrown from, balconies had proved to be rescuscitation dummies being thrown about. Reports of bodies were explained by the fact that some prisoners had taken drug overdoses and had fallen unconscious. "To the onlooker in panic in the middle of a riot these people would look to be dead," Mr Beales said.

The incident centre at Longsight police station, Manchester, reflects the magnitude of the enquiry. More than 80 police officers are sifting and collating statements and evidence and entering them into the computer.

Mr Beales said his officers had travelled hundreds of thousands of miles interviewing the 1,646 prisoners and



Mr Beales showing a mock rifle and other makeshift weapons captured after the Strangeways prison riot. A plastic bowl contained 40lb of ball bearings

500 staff who were in will be invited to identify in the morning is shrouded in mist but as the sun rises becomes clearly visible.

"All the ringleaders of the riot have been interviewed. In varying degrees they have cooperated. In some cases it does not matter whether they cooperate or not in view of the amount of evidence we have," Mr Beales said.

The investigation is digesting 175 hours of video tape obtained by a court order from television companies and one and a half miles of 35mm film, to produce 111 documentaries

about individual prisoners and their activities on the roof of Strangeways. Each film will be shown to the prisoner who

is in the morning is shrouded in mist but as the sun rises becomes clearly visible.

"A former Strangeways inmate escaped from temporary prison accommodation yesterday. Edward Bernard Curtis, aged 28, who was serving four years for burglary and criminal damage, is believed to have escaped through the exercise yard of Clifford Street police station in York.

The accommodation at the cells underneath York Magistrates' Court are being used temporarily for prisoners to continue serving their sentences.

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Consultant hours may endanger patients, MPs say

By JILL SHERMAN
SOCIAL SERVICES CORRESPONDENT

CONSULTANTS might be putting patients at risk by working excessive hours in the National Health Service and the private sector, a Commons public accounts committee report says.

Health authorities need to know the total hours consultants work in both NHS and private hospitals to ensure that they are not overworking, the report says. Doctors on full-time contracts are allowed to earn 10 per cent of their income doing additional private work, but those on maximum part-time contracts can do as much private work as they like provided they carry out certain NHS sessions.

Although there is little evidence of many consultants failing to fulfil their NHS sessions, the committee says that nobody knows how many hours they are working privately. "We consider it unacceptable that the existing controls over National Health Service consultants' contracts, particularly the income control mechanism, are not fully effective," it says. "The health department will need to establish effective controls which bring to light any neglect of NHS commitments."

Consultant job plans recently agreed with the profession require doctors to specify only when they are carrying out NHS sessions. Although this is a step in the right direction, the plans, which will operate from April, would require firm management to be effective, the report says.

"Job plans will not give health authorities a view of consultants' total National Health Service and private commitments," the report says. "Health authorities need a more accurate picture of the total level of consultants' commitments to ensure that their responsibility for the treatment of patients are not put in jeopardy through working excessive hours."

The report says that consultant contracts should be held by district health authorities rather than regions. Under the NHS reforms, the health department intends to devolve negotiation of job plans to unit level. The committee fears, however, that this will not provide local management with the necessary influence.

Duncan Nichol, NHS chief executive, defended consultants yesterday. He said figures from the Office of Manpower Economics showed that consultants worked an average 49 hours a week last year. He said: "The great majority work considerably in excess of their contractual requirements. The job plans introduced will clarify what is expected of a consultant and make it easier for health authorities to monitor the fulfilment of commitments."

The report expressed concern about the lack of information about costs in the private sector. It also criticises the private sector's poor contribution to training medical and nursing staff. "We are concerned at the relatively small contribution made by the independent sector towards pre- and post-registration of nurses. We recommend that the department press the independent sector to increase its contribution to training to reflect its use of National Health Service trained manpower."

Committee of Public Accounts. Twenty-eighth report: *The NHS and Independent Hospitals*. Stationery Office. £7.85

Ring-fencing will increase rent debts, councils told

By DOUGLAS BROOM, LOCAL GOVERNMENT CORRESPONDENT

THE number of council house tenants falling into arrears with their rents will rise sharply because of government action to prevent poll tax income being used to subsidise housing, it was claimed yesterday.

The Chartered Institute of Public Finance and Accountancy, the professional body for town hall treasurers, said that a sixth of tenants in London were already in arrears and that the introduction of the policy of ring-fencing, which is intended to make local authority housing accounts self-financing, would lead to rent increases and higher levels of rent arrears.

Regulations introduced in April prohibit councils from transferring money to or from their housing revenue accounts from which housing benefit for council tenants as well as the cost of repairs and management are paid.

The institute said that local authorities would be faced with the choice of cutting back on council house repairs to make ends meet, or raising rents. Almost two thirds of the four and a half million council tenants in England and Wales receive housing benefit and rents paid by tenants account for between a quarter and two fifths of the cost of providing council housing.

The latest edition of the institute's local government statistics, covering the financial year to March last year and published yesterday, showed wide regional variations in the level of council rent arrears. Plymouth had the lowest with only 0.5 per cent of rent unpaid at the end of the year.

The north London borough of Brent had the worst problem. Accumulated arrears from previous years meant that a sum equivalent to more than the entire year's rent bill was outstanding in March 1989.

Other authorities with serious rent arrears were Kirklees, West Yorkshire, with 49.6 per cent of rents unpaid, Islington with 30.6 per cent and Waltham Forest with 22.5 per cent. At the opposite end of the scale the charge-capped Barnsley council and Conservative-controlled Bexley were among those with arrears rates of less than three per cent.

A spokesman for the



A couple taking a stroll along the coast are dwarfed by stones for a coastal protection scheme which has started at Staithes, the North Yorkshire fishing village ten miles northwest of Whitby.

The work, which will cost £370,000 and take three months to complete, has been commissioned by Scarborough borough council, with grant aid from the Ministry of Agriculture, Fisheries and Food, to improve the sea defences at the

harbour which has a long history of being overwhelmed by the sea.

Michael Clements, the council's director of technical services, said: "One of the main problems is that there is a gap in the harbour's northern breakwater. We want to strengthen it by closing the gap and raising its height." Fifteen thousand tonnes of granite gneiss rock armour are being shipped from Norway to Teesport for the project. Thousand-tonne loads of stone

which arrived in Staithes yesterday were deposited at high tide near the village's two 65 year-old breakwaters. At low tide the stones, some of them weighing 12 tonnes, were moved into position by teams of bulldozers.

Villagers hope that Staithes' distinctive blend of tiny cottages and narrow alleys which nestle below some of England's highest cliffs will be safe when the scheme is completed, but some have ex-

pressed doubts that the scheme will work.

Staithes' lifeboat secretary, Mr Clem James said that rocks bigger than those being used had been moved in the past by heavy seas, but Mr Clements said that engineering consultants had given assurances that the stones would withstand storm conditions. "The stone is of sufficient size to ensure it cannot be moved around by heavy seas," he said.

Poll tax rioter jailed for two years for attack on police van

A POLL tax rioter was jailed for two years at Southwark Crown Court in London yesterday for kicking and punching a police van during the Trafalgar Square disturbances. That is the highest sentence to be imposed for crimes arising out of the riots.

Simon O'Reilly, aged 22, formed part of a screaming mob which surrounded the van, driven by a police-woman, and attacked it. As he struggled with officers who arrested him other rioters showered police with missiles, the court was told.

Judge Rivlin, QC, told O'Reilly: "The occupants of the vehicle became extremely frightened for their own safety. If the vehicle had been overturned the consequences for the occupants may have

been very serious indeed. This was such a serious incident that you and others minded to behave in this way must appreciate that a substantial sentence of imprisonment, which is intended to be a deterrent, is inevitable."

O'Reilly, a labourer, of Dorset Road, Plumico, southwest London, was found guilty of violent disorder and criminal damage. The attack occurred in Northumberland Avenue, near Trafalgar Square, after a poll tax protest on March 31. A total of 434 people were arrested and charged with offences arising out of the riots. Twenty-one have been committed to the crown court for trial.

O'Reilly is the first to be found guilty by a jury at a crown court. He is also the first to be sentenced for the offence of violent disorder. Of those sentenced so far, for offences of affray and criminal damage, jail sentences have ranged between one and three months.

Deborah Little, aged 28, of Coniston Gardens, Scarborough, who claims exemption from the poll tax because she holds a share in a Cornish tin mine, has had her summons for non-payment withdrawn. She was one of 564 people facing the summons.

Mrs Little's husband Neil bought four £1 shares, one each for himself, his wife and their two children. Once the courts have decided how to deal with shareholders in the Cornish tin mine Mr and Mrs Little might face another court hearing.

Conscience cash plea for charity

By RUTH GLEDHILL
RELIGIOUS AFFAIRS REPORTER

THOSE who benefit from the community charge could give the surplus to housing charities such as Shelter, church leaders said yesterday.

The leaders, from different denominations, gave warning of an increase in homelessness as a result of the charge and said money raised by housing charities "will alleviate the increasing problems facing those on low incomes for whom the poll tax could be the last straw".

The Rev Peter Sutcliffe, a Methodist and chairman of the London Churches Group, an ecumenical forum which represents London church leaders, said: "We have complained from the beginning that the poll tax is not based sufficiently on ability to pay. We have never advocated non-payment of the tax. To people who gain from the poll tax, and have a conscience about it, this will offer a means to channel the surtax."

In a letter to the *Church Times*, the group reiterated its anxiety about the tax. "As a group of church leaders whose areas cover the poorer areas of London we wish to stress again the moral issues. The burden of payment on the poorer areas troubles our consciences and those of many Christians." It added: "The tax is not just, even for those who benefit, while those who can ill afford it have massively increased burdens."

• To H, a multi-denominational Christian organisation which aims to transcend barriers and which was founded by an army chaplain behind the front lines of Ypres Salient in the first world war, celebrated its 75th anniversary at Lambeth Palace, London, last night.

Charge collection will cost English councils £411m

By OUR LOCAL GOVERNMENT CORRESPONDENT

THE cost of collecting the community charge in England will be £411 million this year, accounting for up to 23p in the pound on poll tax bills, according to new government figures.

Based on returns from 300 out of 370 councils in England, the figures show the cost of administering the new tax will range from £3.69 to £53 a head. Some flagship Conservative councils are among those on low incomes for whom the poll tax could be the last straw".

Mr Jones said the government accepted that inner-city areas with shifting populations and high concentrations of students might have special problems collecting the poll tax.

The figures produced by Mr Jones's department suggest that not all inner-city areas will spend as much as Westminster. Labour-controlled Birmingham, which has the largest population of any single local authority area, has budgeted to spend £7.26 a head.

According to the journal's analysis, the five authorities spending most collecting the charge are the London boroughs of Richmond (£55.27 or 14 per cent of the payment), Tower Hamlets (£54.50 or 18.3 per cent), Westminster (£45.16 or 23.2 per cent), Kensington and Chelsea (£41.03 or 10.9 per cent) and Brixton Borough Council, Nottinghamshire, (£43.33 or 9.3 per cent).

The revelations were made only 24 hours after Labour published details of its "Fair Rates" policy which would involve replacing the community charge with a revised form of the old rating system. The proposal seemed to find favour with local politicians of all colours yesterday, although many Conservatives were unwilling to be seen to publicly embrace the Opposition proposal.

'The people's judge' hangs up his wig

By FRANCES GIBB, LEGAL AFFAIRS CORRESPONDENT

ONE of the most colourful and down-to-earth characters at the Central Criminal Court, Sir James Miskin QC, "the people's judge", hung up his wig and gown for the last time yesterday.

Sir James, aged 65, is retiring after 15 years in the Central Criminal Court's "hot seat" as Recorder of London where he was popular with juries and where the tough sentences he imposed struck a chord with the general public.

Sir James, often outspoken and controversial on the bench, listened to tributes paid to him yesterday in the famous number one court, packed with fellow judges, lawyers and court officials. Known as "whispering Jim" for his soft delivery, Sir James often brought a smile to the faces of jurors with his down-to-earth approach and use of earthy language. When a barrister carefully suggested that officers at a police station were inebriated, Sir James told the jury: "He means they were having a piss up in the nick."

A keen tennis player, golfer and angler, Sir James was described yesterday by Mr Justice Popplewell as a "fearless advocate, strong judge and delightful companion."

He was a witty after-dinner speaker. His outspokenness on one occasion last year, however, resulted in calls for his resignation when he referred to black people as "nig nogs". The Lord Chancellor, Lord Mackay of Clashfern, asked for an explanation. Sir James apologized and said it was a "silly expression" that he regretted having used. Sir James has

often criticized a "benevolent" parliament for fixing low maximum sentences, particularly the five-year term for drunken motorists who cause death by recklessness driving. Last year he called for the return of capital punishment for premeditated murder.

He became known as a fearless sentence when he jailed the leader of a rape gang for 19 years and imposed a 14-year sentence on a man for sexual abuse of a child. Society, Sir James often

remarked, had "become sick and tired of perverts preying on youngsters" and deterrent sentences had to be imposed to try and halt their "evil" activities.

As well as his judicial duties, Sir James played an important role in the pugnacious City of London as the court's senior resident judge.

• Judge Vowden, who once infuriated Bristol City football fans with an off-the-cuff remark, died yesterday, aged 69. He made the headlines when he told a defendant, accused of receiving stolen goods taken from cars at the football ground car park: "It is bad enough to have to go and watch Bristol City without having things stolen."

The club sent the judge, who was a Swindon Town supporter, two directors' box tickets for the next home game. He accepted.

Desmond Vowden, a clergyman's son, had a distinguished career, serving at the Central Criminal Court before moving to the West Country. He spent 12 years in the Royal Navy and the Royal Marines, retiring as a marine captain in 1950 to become a barrister. After spending 36 years in the legal profession, he retired in 1986 because of ill health.

• Judge Granville Wingate, QC, brother of General Orde Wingate who led the Chindit guerrillas in Burma during the second world war, has died at his Sussex home. Judge Wingate, who sat at crown and county courts in the southeast, was

79.

Obituary, page 14

OUR FIRST REBUILDING SALE FOR 84 YEARS
by kind permission of the Chairman

Miss Corbly found a letter with a George V penny stamp behind her desk. It was an invoice that went missing in 1928 - she remembered it well. The reason it came to light was that everything is being moved about owing to the impending rebuilding works that have been commissioned. As the Chairman quips on an almost hourly basis, "We're adding another

floor but that's another storey." Ho Hum. Needless to say the various masons, hewers of wood and other craftspeople require us to give them room so give them room we must. By kind permission of the Chairman therefore, we present our first rebuilding sale for 84 years.

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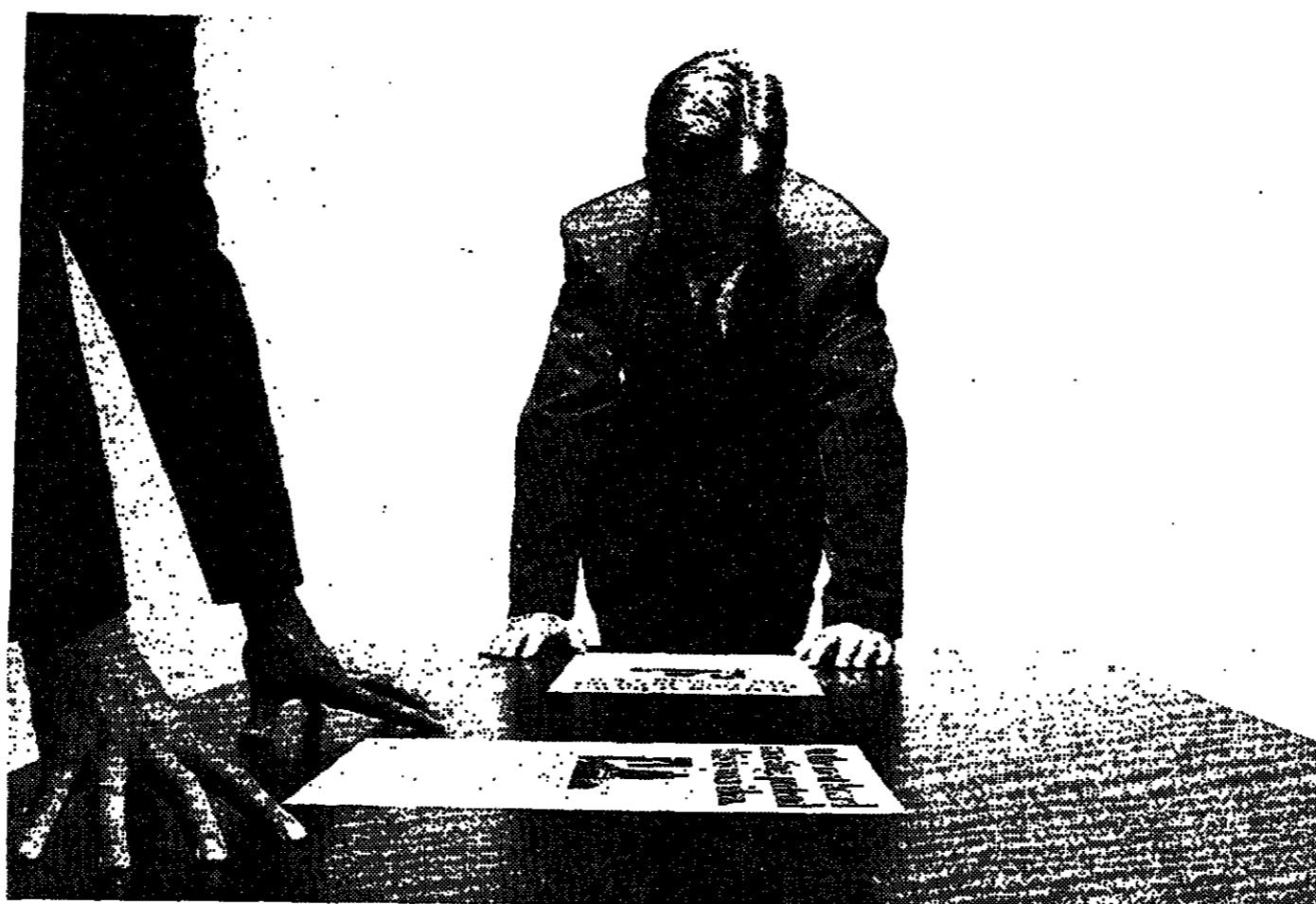
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Sir James: often outspoken and controversial on the bench

Consultant
hours may
endanger
patients,
NPs say

At the next board meeting, pretend this is your idea.



On Monday morning at your weekly board meeting, you've the chance to table a motion that could dramatically shape the future of your company. (Unless of course, one of your Times reading colleagues beats you to it.)

First off, ask your Directors a blindingly obvious question. What makes up your company?

Whatever business you're in, the answer's the same.

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If your people are not motivated and not particularly well trained, how do you think your company's image is portrayed?

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Imagine you could replace each and every person in your company with someone more able.

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No. Far better to nurture the talents of the staff you've already got. Build on the relationships you've already developed. Consolidate their loyalty.

Start with the youngest. Sit in a meeting room with, say, all your

16-20 year olds. Talk to them. Listen to them.

Listen to where they want to go in your company. Inspire them. Fuel their ambitions.

For them to get on, they'll need training. And qualifications. Here we can help.

It starts with something called New Youth Training. No. It's not a new name for the old YTS.

It offers young people, either in or out of work, opportunities they would otherwise be denied.

It opens up doors that would otherwise be shut. It allows them to train for the qualifications that'll give them every chance of breaking into the career they yearn for.

The courses can be tailor-made to suit just about any arm of any industry. And for any size of business, from mega-multi-national to one-man-band.

The training takes as long as it takes. From a month to a few years. And there are full-time, block-release, day release or sandwich courses.

Once the training is completed, your employees will have in their possession relevant qualifications which are recognised by employers,

the Training Agency and Training and Enterprise Councils.

And these will increasingly gain the seal of approval of the National Council for Vocational Qualifications, or by SCOTVEC in Scotland. And all with a helpful contribution from the Government.

Improve your young employees and you trigger off a domino effect of self-improvement throughout your company.

You begin to engender an energy and enthusiasm that could spread through your offices like wild-fire.

This is no pipe dream.

It's as real and beneficial as you and your Directors make it.

For more information, please contact your Training Agency area office or Training and Enterprise Council. Or alternatively, call us free on: 0800 44 42 42.

If you'd like to write to us, the address is: New Youth Training, Department TI 003, Freepost CV 1037, Birmingham Road, Stratford Upon Avon, Warwickshire, CV37 0BR.

Now, tear this ad out of the paper and put it in your brief-case.



**NEW YOUTH TRAINING.
IT PAYS TO BE QUALIFIED.**

Sacked ministers likely to get 'redundancy pay'

By ROBIN OAKLEY, POLITICAL EDITOR

CABINET ministers who are dropped in future reshuffles will collect a tax-free lump sum of nearly £9,000 as severance pay if a bill introduced yesterday goes through the Commons this autumn.

Parliamentary secretaries in the Commons who lost their jobs would collect £4,715, ministers of state, £6,212 and cabinet ministers, £8,780 on the basis of a quarter of their official salaries. There are slightly higher payments for ministers in the Lords whose salaries are higher, reflecting the fact that they have no MP's salary in addition to their pay.

The bill, which would put into practice recommendations made by the review body on top salaries in 1988, will not be made retrospective to cover ministers who lost their jobs in the reshuffle just completed. It will apply only to ministers under the age of 65 not re-appointed within three weeks. Ministers in the Lords who retire or are dismissed already get smaller golden handshakes: the bill will extend the system to the Commons.

Following other recommendations by the top salaries body, the bill provides for the prime minister and the Lord Chancel-

lor to retire on the same terms as the Speaker of the Commons, on half pay.

At present the prime minister receives immediately on retirement a pension of fifteen fortieths of final salary, fixed in 1937. The Lord Chancellor is given seventeen fortieths and the Speaker twenty fortieths under arrangements set up in the last century. The bill provides for all three to retire on twenty fortieths of final salary.

As prime minister, Margaret Thatcher is entitled to a salary of £60,851 a year, including her parliamentary salary as an MP, but she draws only the £55,221 to which other cabinet ministers are entitled. So far she has saved the exchequer more than the pension will be calculated on the sum she is entitled to rather than on what she draws.

The new Ministerial and other Offices (Pensions and Salaries) bill also provides a pay boost for ministers who are appointed. It provides a new minimum pension allowance of £4,672 a year from next April for Lords ministers (except the Lord Chancellor), the Opposition leader and chief whip in the Lords and the chairman and principal deputy chairman of committees. It is estimated that this change will cost about £300,000 in 1990-1.

The government has been under pressure to improve salaries for ministers in the Lords because of the difficulty of finding sufficient people of calibre to work at a salary that compares badly with rewards available outside Parliament. A separate clause of the bill alters the salary arrangements for the Lord Chancellor. At present, his salary is £91,500 a year. In future, under the bill's provisions, it will be maintained at £22,000 a year more than the salary for the time being payable to the lord chief justice.

Present salary levels in the Commons are: cabinet ministers, £55,221 a year; ministers of state, £44,951; and parliamentary secretaries, £38,961, in each case including a reduced parliamentary salary of £30,101. In the Lords: cabinet ministers, £44,391; ministers of state, £39,641; and parliamentary secretaries, £34,101.

The Opposition has been consulted about the provisions in the bill, which is expected to be passed rapidly through both houses of Parliament in the autumn overspill session.

When the bill goes through, separate regulations will provide for an increase in MPs' widows' pensions. At present, they get half the pension to which their husbands were entitled. In future, that will be increased to five eighths, back-dated to 1988.

The government has been



The Speaker, who is entitled to retire on half pay

British banana battle

BRITAIN will try to protect its traditional banana suppliers in the Caribbean after the Single European Act comes into operation in 1992, Lynda Chalker, overseas development minister, said in the Commons.

During a short debate, Mrs Chalker said that the prime minister had written to Jamaica and the Windward Islands assuring them that Britain would fight hard to make sure they continued to enjoy preferential arrangements.

John H. Smith (Vale of Glamorgan, Lab), who opened the debate, said that the end to preferential treatment would be devastating for the Caribbean and for the Barry docks in his own constituency through which the fruit was imported.

German unity 'offers us chance'

THE opening up of East Germany provided an opportunity to British business which should be seized to gain the greatest possible advantage, Tristan Garel-Jones, foreign office minister, told the Commons.

He was replying to a debate that was initiated by Brian Sedgemore (Hackney South and Shoreditch, Lab) with a bitter attack on the prime minister.

Mr Sedgemore said that Adolf Hitler had looked for scapegoats and found the Jews. Enoch Powell looked for scapegoats and found the blacks. "Our prime minister and her advisers looked for scapegoats and found the Germans. Thus goes the carousel of history, go round in a frightening fashion."

History would record that 1990 was the year when "the German question" returned to Britain and a cabinet minister and prime minister had demonstrated that the establishment could be spiteful and vindictive and capable of pursuing a vendetta against an ally, not for decades but for generations.

"Civilised leaders around the globe, from President Bush down, have looked on open-mouthed as Britain has made itself look ridiculous."

Margaret Thatcher was out of tune and out of place in the modern world. While she obviously thought she came to those matters with the unconscious realisation of effortless superiority, they all knew that in fact she was the mad queen.

Guardian not to be punished for leaked paper

By OUR POLITICAL EDITOR

MPs will no longer sanction such punishments.

On this occasion they considered the disclosure to be more serious, saying that "no classified document has leaked from a select committee before, which sharpens our apprehension at the possible damage to committees done by the leak". But still they sought no sanctions against the journalists concerned nor against Peter Preston, editor of *The Guardian*.

However, in a clear warning to MPs and others who leak documents, the committee said: "We reserve entirely the right in future to recommend punishment where an offender responsible for a leak has been identified". They urged those on committees to do everything possible to keep confidential unpublished evidence.

As is normally the case in such enquires, the source of the leak has not been traced despite extensive investigation by the privileges committee, the National Audit Office, the trade department and the Home Office.

The Labour MP Tony Benn later released the text of his own minority report, rejected by the privileges committee, in which he called for greater openness with documents. He criticised the committee for "huffing and puffing" and failing to follow up vague threats about dealing with breach of privilege.

Second report from the Committee of Privileges, Session 1989-90 (Stationery Office, £6.45).

Caroline rescue fails

HOUSE OF LORDS

AN ELEVENTH hour attempt to rescue Radio Caroline and other pirate radio stations from what were described as draconian bullying and high-handed measures being taken by the government failed in the Lords.

An amendment moved during the seventh and final day of the committee stage of the Broadcasting Bill, to limit the government's action to where Radio Caroline or other pirates interfered with legitimate radio stations, was defeated by 93 votes to 29, a government majority of 64.

The vote came, however, only after criticism of the measures from a succession of peers from all parties and none.

Lord Monson, who had earlier relayed how the Dutch authorities and British officials had boarded Radio Caroline last year and smashed equipment, said he did not think any offshore radio station had ever broadcast anything offensive.

The pirate station's material was innocuous and, despite the black propaganda of its enemies, including the Home Office, it did not interfere with emergency and safety services.

Lord McNair (Lib Dem) said that the government's action against Radio Caroline was wanton vandalism, an example of the lazier law mentality in practice.

Earl Ferrers, Home Office minister of state, said that he was surprised by the reaction of peers.

Pirate radio stations were anchoring themselves deliberately outside British territorial waters and transmitting using frequencies allocated to the United Kingdom and preventing their being awarded to others who were prepared to pay for them. They were outside the law and had deliberately put themselves outside the law.

Enforcement powers were needed and what was being proposed was consistent with the United Nations convention that covered interference and reception.

If the frequencies were being used, radio signals could inadvertently interfere with safety services.

Loopholes in the copyright law that allow the format of television shows such as *Opportunity Knocks*, *Mastermind*, and *The Antiques Road Show* to be stolen from the originators and reproduced without payment are to be looked at again by the government.

An attempt to prevent satellite or cable television companies from getting exclusive rights to cover the big national sporting events was rejected by 67 votes to 59 - government majority of 8.

Ivory ban may be rescinded

HOUSE OF LORDS

The international ban on trade in ivory has been effective in the war against ivory poachers and may be lifted as the threat to the African elephant population recedes, David Heathcoat-Amory, junior environment minister, said in a Commons debate.

The price of ivory had fallen so low that elephant poaching was no longer worthwhile and in some areas of Africa had virtually stopped, he said.

The environment department said later that if the ban, signed by more than 90 countries, were lifted, it would be replaced by strict controls.

Child benefit

The cost of raising child benefit to £8.91 to keep it in line with the rise in the retail price index would be about £780 million. Gillian Shephard, under-secretary for social security, said in a written reply.

Pension age

The net cost of lowering the pension age for men to 60 would be about £3 billion. Gillian Shephard, under-secretary for social security, said in a written reply.

Royal assent

The following acts received royal assent: Appropriation; Finance; Aviation and Maritime Security; Government Trading; British Nationality (Hong Kong); Representation of the People; Marriage (Registration of Buildings); Enterprise and New Towns (Scotland); Contracts (Applicable Law); Hasmonean High School; River Tees Barrage and Crossing; Medway Tunnel; Associated British Ports (No 2); City of London (Various Powers); Greater Manchester (Light Rapid Transit System) (No 2); British Railways; Pontcysyllte South Pier Extension; Great Yarmouth Port Authority; The Care of Cathedrals Measure also received royal assent.

Recess begins

Both Houses of Parliament rose yesterday for the summer recess. The Commons returns on Monday, October 15. The House of Lords will resume a week earlier when peers will devote much of their time to the report stage of the Environmental Protection Bill. The new session will start in mid-November.

Moscow to speed up withdrawal

On June 15, the Soviet Union's winding down of its Mongolian border forces was completed. About 1,000 Soviet troops had already left. Colonel General Gerasimov, the first departing chief of the Mongolian army staff, said yesterday, "We will be out by the end of 1991".

Meanwhile, the composition of Mongolia's general staff is changing.

After the first 1,000 candidates still in the army after the first

and second groups of the Mongolian People's Revolutionary Party, and 800

of the Mongolian People's Democratic Party, the second

group will be held on

October 15.

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Democrats want UN arms register

By OUR POLITICAL EDITOR

A UNITED Nations register of all international arms deals and a UN-administered 1 per cent levy on the arms trade are among the proposals in a Liberal Democrat green paper on sustainable world development to be presented to this year's party conference.

The document, *Shared Earth*, calls for an end to public spending on promoting arms sales and an embargo on arms sales to human rights violators. Sir David Steel, the Liberal Democrat spokesman on foreign affairs, agreed yesterday, however, that until there was an international authority to define those violators, most countries would go on selling arms freely.

The green paper, published yesterday, calls for the overseas development administration to be reformed as an independent ministry. It also wants Britain to increase development assistance to the level advised by the UN, of 0.7 per cent of GNP, over five

years and then to 1 per cent over the next five years.

The paper urges that progress in developing countries should be measured not just by gross domestic product but also by the adoption of indicators such as life expectancy, literacy and purchasing power a head.

It calls for the United Nations environment programme to be given the authority, resources and political backing to administer global climate funds and to police a market in "emission trading licences" for carbon dioxide and other gases.

The document adds that countries that have fallen into debt should become eligible for IMF and World Bank loans.

It calls for further reductions in debt and the encouragement of debt-for-environment swaps.

Shared Earth (Liberal Democrats, 4 Cowley St, London SW1P 3NB; £4.75).

Teacher sacked after girl dies

A Japanese teacher was dismissed yesterday over the death of a girl, aged 13, at a school gates. The incident happened in the western city of Kyoto, where a metal gate was running into the head of a girl who had been running between the gate and a wall. (Reuters)

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Harvest panic grips Soviet Union despite bumper crop

From MARY DEJEVSKY
IN MOSCOW

AS THE Soviet grain harvesting season approaches its peak, Boris Yeltsin, the reforming president of the Russian Federation, yesterday offered special incentives to farmers in an attempt to avert "a catastrophe". His scheme, outlined in an appeal published on the front page of the *Sovetskaya Rossiya* newspaper, will give farmers special cheques, called "Harvest '90", to be redeemed for goods which are in short supply.

Mr Yeltsin's talk of "catastrophe" was the latest in a series of apocalyptic statements from Soviet leaders about this year's harvest, which is said to be one of the best in recent years.

The Stavropol area in the northern Caucasus, one of the Russian Federation's main grain-growing areas, has reported the highest yields on record and already completed its contracted deliveries to the state.

This year the difficulty is less with the crop itself than with the harvesting,

storage and delivery of the produce. At the end of last week, the prime minister, Nikolai Ryzhkov, spoke of "serious concern" that the grain was not reaching the state. By July 16, he said, 7.5 million tonnes of grain had been delivered, which was only ten per cent of what was required.

Mr Ryzhkov gave a warning that, because of its shortage of foreign exchange, the state was not in a position to repeat last year's purchases of 44 million tonnes of grain abroad.

Mr Yeltsin's appeal spoke of a "critical situation in food supplies" in the Russian Federation and *Pravda* recently published a front-page article with the doom-laden headline "Will we save the

elsewhere, newspapers have published complaints about the failure of the state to deliver fruit and vegetables to the cities. "It is in the orchards but not in the shops," protested a headline in the government newspaper, *Izvestia*.

A correspondent reported that the apricot trees in Armenia were laden with fruit which was falling on the trees and

rotting, while in Moscow the shops were selling hard green travesties of the real thing.

One explanation for this year's problems is that the Soviet authorities are so unused to having a good harvest that their equipment and facilities, which are stretched even in an average year, cannot cope. But this accounts for only a fraction of this year's difficulties.

There have been serious shortages of fuel in many of the harvesting areas. Even though oil exports to East European countries, in particular Czechoslovakia, have been cut back in an attempt to meet domestic requirements, the adjustment has generally been too

late. A senior official at the government commission on food and procurement was quoted as saying that agriculture had not received 176,000 tonnes of the petrol and 462,000 tonnes of the diesel due in the first half of the year. He said this could translate into 25 million tonnes of grain, or more than 10 per cent of the total, that would not be harvested in

Even if the requisite amount of fuel were available, however, it might well not be used. Reports abound of too few lorries, refrigerated trucks and combine harvesters, not to speak of the shortage of spare parts.

The correspondent reporting on the rotting Armenian apricots discovered that the Armenian authorities had hoped to sell fruit in exchange for meat and other food products from other republics. They had even chartered aircraft to fly the fruit to the customers, but contracts had not been concluded in time and the whole project had collapsed. Now the producers were being blamed for a failure which was not of their making, he said.

The Soviet economic reform programme has undergone so many changes that producers, state and party authorities are uncertain how much authority they possess to market, sell or deliver their goods.

A further problem concerns manpower. In previous years, whole sections of the urban population, especially manual workers and students, were

conscripted at short notice to help with the local harvest.

This year the system has broken down. In many places the conscription was organised by the local party committees. This was an unpopular part of their work and they are now using the enhanced power of the elected local government authorities vis-à-vis the party as a reason for not doing it. Local governments are not doing it either, partly because they disapprove of the principle and partly because they do not have the influence to organise what was a massive transfer of often unwilling labour.

The new system of enterprise self-financing also means that factories cannot afford to "pay their debts to the countryside" and work with a skeleton staff in the hope of making up lost production later. Now the greater autonomy enjoyed by managers means that many can refuse requests to supply seasonal labour or demand compensation to defray the cost.

Despite the almost doubled state purchase prices for grain this year, farms do not have funds to pay for seasonal

labour at anything like urban rates. Mr Yeltsin's "Harvest '90" cheques are an attempt to give farms and their workers a guaranteed return on their work in the recognition that payment in ordinary roubles, with their negligible purchasing power, will be no incentive.

A further problem has scarcely been mentioned officially. Republics like the Russian Federation, the Ukraine and Kazakhstan, which produce the bulk of Soviet grain, have new nationalist-minded governments with an interest in retaining as much of their produce as possible for their own use.

Mr Ryzhkov's complaint about the relatively small amount of grain delivered to the state suggests that some areas may be withholding grain, either to meet their own needs or with a view to extracting a higher price for it later. That higher price would not be in roubles, but either in a convertible currency or in goods. Such transactions could equally be concluded on a bilateral basis between individual republics, circumventing the state purchasing mechanism altogether and stripping it of much of its power.

Stasi chief charged with harbouring terrorists

From ANNE McELVOY IN EAST BERLIN

ERICH Mielke, East Germany's former state security minister, was arrested yesterday and charged with harbouring terrorists and preparing internment camps for dissidents under the communist regime.

Günter Seidel, the East Berlin state prosecutor, said that the former Stasi chief had been declared fit for trial by an independent commission of doctors. Since his fall from power in October he has been living in a safe house, and was previously declared both physically and mentally unfit to face trial.

Herr Seidel said that he had "concrete evidence" that Herr Mielke, aged 82, had offered leading Red Army Faction terrorists asylum and that he had facilitated changes of identity to protect them from West German justice. "In view of his responsibility for this, and the extra evidence of the planning of isolation camps, we had no choice but to proceed," he said.

Eight Red Army Faction terrorists wanted on kidnap and murder charges have been discovered living under false identities in the East. Three have since been extradited to West Germany. Plans for internment camps intended for political opponents were found in the former minister's files. Work on one near the southern town of Erfurt was

about to begin when the regime fell last autumn.

The arrest of Herr Mielke looks likely to step up pressure for the prosecution of Erich Honecker, the disgraced communist leader, himself. An examination last week deemed him unfit for trial on health grounds, but doctors have ordered a revision in the near future, and Herr Seidel said yesterday his prosecution "was justified by the facts that we now have".

Statements by senior Stasi officers indicate that the two men made the decision to harbour West German terrorists in 1979 because the fugitives reminded them of their own days in the resistance. In private memos to his select "Officers for Special Operations", Herr Mielke said that the use of criminal methods was justified. "These are as nothing compared to the damage to our humane socialism which would ensue if we do not defend it," he said.

Herr Honecker recently denied that he had known of the move. "I am without any guilt and certainly had no knowledge of their presence," he said last week in a statement, adding that Herr Mielke had often taken decisions on internal security without his knowledge.

The perceived incompetence of the East German legal authorities in failing to secure the prosecutions of former leading functionaries has met mounting anger. Initial attempts to charge Herr Honecker, Herr Mielke and Günter Mittag, the hardline economics chief with corruption, abuse of office and treason failed when it emerged there was no adequate provision for a trial in East German law.

Only Harry Tisch, the former trade union boss, was arrested and is still awaiting trial. But the charges against Herr Mielke clearly contravene the East German constitution.

• BONN: West German Bundestag members will agree the rules for the first pan-German election in December at a special sitting on August 9 (Ian Murray writes).

Leaders of the West German coalition parties agreed yesterday it was first up to the East German government to put forward its ideas. Lothar de Maizière, the prime minister, is to chair a meeting of experts today to try to work out proposals.

• HANOVER: Three Soviet soldiers who defected from East to West Germany last week are entitled to apply for asylum and will not be handed back to Soviet authorities, officials said. (Reuters)

Moscow to speed up withdrawal

Ulan Bator — The Soviet Union is withdrawing its troops from Mongolia faster than scheduled. About 80 per cent of 65,000 Soviet troops have already left, Colonel Dorjotov, the first deputy chief of the Mongolian army general staff, said yesterday. The pull-out is due to be completed by the end of 1991.

Meanwhile, the opposition did better than expected in the first round of Mongolia's general elections, according to results published yesterday. Of the 799 candidates still in contention after the first round, 679 are members of the communist Mongolian People's Revolutionary Party or are independents and 86 are members of the Mongolian Democratic Party. The second round of voting will be held on Sunday. (Reuters, AFP)

Tamil Tigers kill 40 villagers

Colombo — About 40 Sinhalese civilians have been killed by fighters of the Tamil Tigers in attacks on three villages in the Eastern and North Central provinces in the past few days (A Correspondent writes).

Ranjan Wijeratne, the defence minister, said yesterday that 1,000 soldiers were deployed at Elephant Pass in the northern Jaffna peninsula, and security forces were firmly established further south in Mankulam and Vavuniya. He said that in these areas, the Tigers were "on the run".

Teacher sacked after girl dies

Tokyo — A Japanese teacher was dismissed yesterday over the death of a girl, aged 15, crushed as the teacher slammed school gates shut.

The incident, in the western city of Kobe, happened after Toshihiko Hosoi, aged 39, allegedly closed a metal gate as the student was running into the school with other late pupils. Ryoko Ishida's head was crushed between the gate and a brick wall. (Reuters)



President Waldheim, left, sitting beside Presidents Havel and von Weizsäcker during the opening of the Salzburg Festival yesterday. Before



Defector says Havana needs a miracle

From MARTIN FLETCHER IN WASHINGTON

A SENIOR Cuban economist who defected to the United States last month has predicted that his country's "rapidly deteriorating" economy will be dealt another blow when the Soviet Union cuts aid and begins to trade only in hard currency next year. He also said, in his first news conference since defecting, that President Castro was preparing to put Cuba on a war footing.

• HANOVER: Three Soviet soldiers who defected from East to West Germany last week are entitled to apply for asylum and will not be handed back to Soviet authorities, officials said. (Reuters)

Only the "miracle" of a

sharp rise in world sugar prices could rescue the Cuban economy, and "I do not think that will happen", said Ramón González Vargas, former deputy secretary to Comecon.

Cuba was already in "permanent recession", with very low efficiency and productivity, he said. Plans being developed by the Castro regime would force Cubans into the country to work like peasants and introduce stringent

measures to deal with fuel and electricity shortages.

Señor González said Cuba was completely dependent on Soviet aid, which he put at between \$3 billion and \$6 billion (£3.3 billion) a year, a quarter of its gross national product. Its total debts were at least \$10 billion, while its annual hard currency earnings were barely \$1 billion.

Señor González, a former employee of Cuba's foreign trade ministry and national

price commission, said he had wanted to defect for up to ten years, but would not go without his family. His chance came when he was posted to Moscow last year. He drove to Berlin in his Soviet-made Lada and just carried on, ending up at the US embassy in Madrid and flying to Miami on July 5.

He is one of a number of prominent Cubans believed to have defected in recent weeks, including senior diplomats.

their training camp by a Cuban interior minister. Orenpol, the state-owned foreign trade corporation famous for selling 960 tonnes of Semtex to Libya, is the Red Berets' marketing arm, although no prices have yet been fixed.

• WARSAW: The Soviet KGB has come in from the cold in Poland, where it now has an officially registered mission after decades of secret influence on the secret service here, Krzysztof Kozlowski, the new interior minister, said.

The KGB delegation, headed by a general, has the same status as Soviet embassy staff, he said. "If we objected, there would be agents anyway, only we would not know who they are," he told a meeting of Solidarity members of parliament on Wednesday.

The interior minister also revealed that co-operation with the KGB had until very recently "reached deep into the ministry, with standing KGB advisers, consultants and liaison officers installed in various departments and divisions." (Reuters)

Prague's Red Berets ready to sell their deadly skills

From PETER GREEN
IN PRAGUE

expecting changes in the finance laws so the money we earn won't go to the coffers of Mr Klaus."

Colonel N sees a chance for the Red Berets to cash in on the forthcoming construction of a cellular phone network in Prague by two American telephone companies. "The Red Berets could set up the Comcon to

biggest money-spinner could be their special skills in scrapping old aircraft. "The destruction of a plane by explosives takes four or five days. The Soviets use saws to make scrap of old airplanes. It takes them, using a team of 20 people, three weeks," Colonel N said.

As proof, he showed a journalist visiting the Red Beret headquarters at Prague's police academy a dossier on the controlled explosion of an old Ilyushin 18 passenger plane in 1984.

Photographs, diagrams and documents which the two commanders said were freshly declassified, show how Red Beret demolition experts divided the aircraft into 9 ft segments, wrapping bets of Semtex-filled hose around the fuselage to blow the plane to bits, section by section. "We saved a lot of money," Major J.N. said.

Two years later Czechoslovak Airlines asked the Red Berets to dispose of an unflyable Ilyushin IL62 passenger aircraft.

Western diplomatic and intelligence sources suspect that the two Ilyushins were blown up with

Semtex for more nefarious reasons, perhaps to determine how best to place small explosive charges for maximum effect in an airliner. Colonel N, however, says the destruction of the planes was strictly business. "Our West German friends even offered us DM 100,000 (£34,000) to get rid of one of their planes this way," he said.

Lufthansa, the West German airline, denied it had ever contacted the Red Berets to destroy its old aircraft, and a West German diplomatic source said any contact with a German carrier and the Red Berets would have been highly irregular.

One aviation expert said blowing up aircraft might be cheaper than letting them rot on a disused runway. But how would Western security guards react to Czechoslovak policemen with briefcases full of Semtex coming to blow up their airliners?

The Red Berets have ambitious plans to promote their skills. Already they have a rough presentation video, adapted from a visit to

Pacific atoll to be US dumping ground

By ANDREW McEWEN
DIPLOMATIC EDITOR

JOHNSTON Atoll: the final destination for the US chemical weapons being shipped from West Germany, might have been any British schoolboy's idea of a desert island fit for Robinson Crusoe. Daniel Defoe's work had been published 28 years before Captain C. J. Johnston, a British mariner, discovered two tiny islands enclosed in a semi-circular coral reef, halfway between the Hawaiian and the Marshall Islands.

The atoll is so small — only 3,000 ft by 600 ft — it remained unclaimed until 1858. The Americans declared it a bird sanctuary in 1926 and its military potential was not developed until 1941. A naval airfield took up almost the whole length of the island.

After the second world war, Johnston Atoll played an important role in testing and storing American chemical weapons. Some 300,000 artillery shells containing nerve and mustard gas have been kept there since 1971.

However, in 1985 the US Congress passed legislation calling for the destruction of all such weapons by 1997. A high-temperature incinerator, costing \$240 million (£133 million), is under construction and nearly ready for testing. The 100,000 shells in West Germany are to be shipped to the atoll and stored until they can be destroyed in 1992.

The atoll was chosen for its remoteness, being 715 miles from Honolulu. Nevertheless, its new use has dismayed environmental groups and Pacific communities. The Federated States of Micronesia said last week: "Transporting the European stockpile halfway around the world is unacceptable increases the risks."

The flagship of the Greenpeace environmental group,



Rainbow Warrior, staged a protest last month by sailing around the atoll displaying banners reading "Stop poison gas burn" and "What we burn today, we eat tomorrow". Concern has also been expressed in Hawaii. Skip Spaulding, a lawyer for the Sierra Club Legal Defence Fund, an organisation which promotes environmental issues, described the use of the atoll as "a very bad decision based on undue haste". John Waihee, governor of Hawaii, said last week: "The Pacific must not become the dumping ground for the world's chemical agents and munitions."

The US Army said the operation would have minimal public health, safety and environmental effects. "Safety of people and nations and protection of the environment is foremost in our minds," said John Fairbank, a spokesman for the Army Western Command in Honolulu. Further reservations have been expressed by leaders of the Marshall Islands, Cook Islands, New Zealand and American Samoa.

Sebia Hawkins, the Greenpeace Pacific campaign co-ordinator, said: "Of course Greenpeace applauds efforts to rid the world of chemical weapons, but incineration is not the answer: more appropriate alternatives must be found. Greenpeace will not sit by and watch Johnston Atoll become a permanent mid-ocean toxic-waste dump in the Pacific." The organisation's incineration would contaminate the area around the atoll and accumulate in the food chain, threatening all marine species in the area.

Mugabe
amnesty
benefits
Nkomo
guerrillas

From JAS RAATH
IN KABUL

Kuwait tries to save face as it gives in to Baghdad

From JUAN CARLOS GUMUCIO IN KUWAIT

DESPITE denying that it had bowed to intimidation, Kuwait yesterday was apparently seeking a face-saving formula to comply with Iraq's demands in their dangerous oil and territorial dispute.

Prospects for a solution to the confrontation that threatened to provoke a new war in the northern Gulf looked promising in advance of the first round of direct talks between the two countries. The talks will begin in Jeddah, the Saudi resort, tomorrow. But Western diplomats in Kuwait said that even if an accord were reached promptly, it might be only provisional, given Iraq's long-term political, economic and military designs on its tiny neighbour.

Arab and Western analysts said that Kuwait had been left with no choice but to offer political concessions and an unspecified sum to placate Iraq. Kuwait is expected to accept Baghdad's demands for early bilateral talks to draw up a border demarcation treaty to settle the 30-year dispute over oil-rich territory. There is little doubt in Kuwait that Iraq will use the Jeddah talks to step up its historical claim over the strategic islands of Bubiyan and Warbah, at the mouth of the Shatt al-Arab waterway.

Equally indispensable for Iraq during the talks will be the need to obtain solid Kuwaiti promises to observe Opec oil quotas and policies that could eventually raise the price per barrel to \$25

(£13.50), which has been Iraq's objective for some time. The Kuwaitis evidently have been frightened by Iraq's show of force. Sheikh Saad al-Sabah, the crown prince and prime minister of Kuwait, has been vigorously trying to present an eventual settlement as a triumph of diplomatic wisdom, not a reaction to force. "The sons of Kuwait will never, under any condition, give in to threats, extortion and blackmail," he said.

But last night it was not clear how Kuwait would attempt to explain, for example, payment of \$2.4 billion to Iraq for what Baghdad describes as reparations for "oil theft" by Kuwait from the Rumaila field straddling the undefined border in the past decade. Western diplomats suggested, however, that Kuwait could discreetly include that sum in its already scheduled "contribution" to Iraq's reconstruction programme.

Western diplomats in Kuwait, meanwhile, treated with scepticism reports that President Saddam Hussein of Iraq has begun to withdraw some units of the estimated 30,000-strong force deployed near the border last week. Arab analysts in Kuwait believe that Iraq is likely to maintain troops in the area to keep Kuwait under pressure.

Perhaps the most visible indication of the success of Egyptian and Saudi Arabian mediation has been the sudden halt in Baghdad's blistering propaganda campaign against Kuwait and the Shatt al-Arab waterway.

Equally indispensable for Iraq during the talks will be the need to obtain solid Kuwaiti promises to observe Opec oil quotas and policies that could eventually raise the price per barrel to \$25

Australian fathers get year's leave

Melbourne — Australian fathers won the right yesterday to take up to one year's unpaid paternity leave after the birth of a child. In a landmark decision, the Australian Industrial Relations Commission recognised that the nature of modern parenthood had changed and that mothers were no longer sole providers of infant care.

But the Australian Council of Trade Unions failed in its attempt to secure the right for new parents to take a year's unpaid leave together. The commission decided that a newborn child's parents should be allowed to share parental leave of 52 weeks.

Women were granted up to a year's maternity leave in 1979 and employers required to give them back their old jobs when they returned to the work. The executive director of the New South Wales Employers' Federation, Garry Brack, said he did not expect many men to take advantage of the new provision in the short term. (AFP)

Kidnap murder

Buenos Aires — The son of an influential Peronist trade union leader and friend of President Menem has been found murdered in the Argentine seaside resort of Mar del Plata, 19 days after he was kidnapped. According to the interior minister, Julio Mera Figueroa, the police found Guillermo Ibáñez's body with a bullet hole in the back of his head on Wednesday. (Reuters)

Island reforms

Praia — Aristides Pereira, president of Cape Verde islands, opened an extraordinary congress of the ruling PAICV party here yesterday as a first step towards ending 15 years of one-party rule. It was a milestone in the party's history, he said. (AFP)

Nairobi arrest

Nairobi — A Kenyan opposition lawyer and journalist, freed on Wednesday after three weeks in detention, was re-arrested immediately after his release, his office said yesterday. Gitobu Itamwala is the editor of the Nairobi Law Monthly, which has criticised the government for infringing the independence of the judiciary. (AFP)

Cult group held

Mexico City — Police in the Durango state of Mexico have arrested 14 people accused of belonging to a Satanic cult suspected of carrying out more than 30 human sacrifices over seven years. (Reuters)

Green victory

Oslo — Norway has cancelled an expulsion order against the Beluga, a Greenpeace research vessel, after deciding that local police had over-reacted to a protest at a paper mill. "We've been allowed to continue our trip," said Paul Bugge, a spokesman for Greenpeace on board the vessel. (Reuters)

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OVERSEAS NEWS 11



Keeling over: the Egyptian economy, like this ship aground on a Mediterranean holiday beach in Alexandria, is on the verge of collapse

Gulf mediator Mubarak feels the pinch as Cairo debt burden soars

From CHRISTOPHER WALKER IN CAIRO

THE success of President Mubarak of Egypt in defusing the Gulf crisis, the latest in a string of diplomatic triumphs, has highlighted the contrast between his country's external influence and its dire domestic circumstances, which have brought it close to economic collapse.

Foreign debt is around \$50 billion (£27.6 billion), more than four times its size during President Sadat's era, the budget deficit is at least 8 per cent of gross domestic product, and banks have refused to lend the government new funds.

To add to the troubles which are causing serious concern among Egypt's Western friends, who regard its stability as crucial to Middle East peace, the most populous Arab nation now faces an aid cut-off from its two most important donors, the United States and France. "We have been hearing for 20 years that Egypt had reached the end of

its rope, but something always came along to save it," said an Egyptian economist. "This time I cannot see anything coming along."

A long-running series of negotiations with the International Monetary Fund is continuing, with no hope of a rescheduling of the country's debts. "We have been moving in a vicious circle for more than three years," said an IMF source, anticipating the departure of an Egyptian delegation to Washington for more talks.

The key to the disagreement, which led the normally temperate Mr Mubarak to label the IMF a "quack doctor", is the speed with which Cairo is prepared to cut its budget deficit and reduce the subsidies on basic items that are a barrier to economic reform. The president is haunted by the memory of the 1977 bread riots which nearly toppled his predecessor, and insists any change must be

gradual in order to avoid the prospect of more street unrest. "We want reform," he said earlier in the unseemly haggling over terms. "But I tell the IMF that this reform must be in line with our social and economic situation and the standard of living."

In recent months, the prices of many essentials have risen between 40 and 100 per cent. In an attempt to exploit national euphoria resulting from Egypt's better than expected showing in the World Cup, the price of sugar and electricity both jumped by 60 per cent during the competition with no public announcement.

But the IMF, mindful of the rapid collapse of the last agreement in 1987, has not been sufficiently impressed. One of its reports on Egypt's parous economic state said: "Delaying adjustment might very well be more costly subsequently in economic and

social terms as it could necessitate even stronger and less socially acceptable actions."

Mr Mubarak, who has steered Egypt back to a position of influence in the Arab world after ten years' isolation caused by its peace treaty with Israel, is hopeful that his diplomatic successes will pay off economic dividends. But so far there has been little sign of that. Western economists believe that the crunch could come in the next few months when Egypt must make a series of heavy payments on its military and economic debt to Washington or risk being cut off from \$2.3 billion a year in American aid.

Under the congressional Brook Amendment, fresh aid is suspended to countries that fall more than a year behind on debt repayments. According to diplomats, Egypt is due to pay more than \$140 million in September for an instalment which was due a year ago.

France, Egypt's second biggest creditor, has also threatened to cut off aid if debt repayments of between \$150 million and \$200 million are not paid soon. The impending cut comes despite a close friendship between Mr Mubarak and President Mitterrand, a frequent visitor to the banks of the Nile.

In addition to economic headaches, exasperated by one of the most stifling bureaucracies in the world, President Mubarak, aged 61, also faces a rising tide of Islamic fundamentalism. There are often clashes between activists and the security forces.

Egypt is ruled under emergency laws reviled by an opposition which, though permitted one of the freest presses in the Arab world, makes little political impact against the might of the ruling National Democratic Party.

Government officials maintain that, after a recent court ruling declaring the 1987 polls unconstitutional, a general election will have to be staged soon. As in Algeria and Jordan, a strong showing by Islamic hardliners is expected. Mr Mubarak, repeatedly criticised by human rights activists, has yet to display the same dexterity at home as he has done abroad.

Setback to unity hopes in Korea

From SIMON WARNER
IN SEOUL

PROCEDURAL bickering thwarted plans for a meeting in Seoul yesterday between a North Korean delegation and a South Korean dissident group, and may have set back reunification efforts just hours after the two countries made a big step forward by signing an agreement for talks between their prime ministers.

Misrael founded on four decades of intense Cold War hostility showed through when the North Koreans arrived at the border truce village of Panmunjom to find the South Korean government had changed the schedule and insisted on providing them with an escort to meet the dissident Chonminyo group.

The government argued that it had the responsibility for the delegation's safety in the South, so it could insist that the North Koreans stay at the plush Inter-Continental Hotel instead of the venue organised by their dissident hosts.

A two-day planning session had been set up to arrange a joint unification rally at Panmunjom on August 15, the 45th anniversary of liberation from Japanese rule. Six representatives of overseas Korean groups had already flown in for the people-to-people meeting.

The dissidents agreed to bow to their government's demands after an eight-hour stand-off. But by then the North Koreans refused to talk, and returned to Pyongyang.

The agreement over the first talks between the two sides' prime ministers, signed at Pyongyang that morning, was tacit recognition by North Korea of the legitimacy of the Seoul government for the first time since separate governments were created.

Both prime ministers, Kang Young Ho of South Korea and Yun Hyong Mu of North Korea, are ceremonial figureheads. But their meeting is seen as symbolically important. The talks are scheduled in Seoul from September 4 to 7 and in Pyongyang from October 16 to 19.

Release of detainees is price of EC loans to China

From CATHERINE SAMSON
IN PEKING

FRANCIS Maude, the outgoing foreign office minister, told China yesterday that it must release more people detained after the Tiananmen Square massacre if it wanted to persuade the European Community to resume soft loans. Observers believe China will soon announce that more detainees have been released to secure the loans.

Mr Maude ended his Peking visit by handing to his Chinese hosts an Amnesty International list of more than 600 detainees. In effect writing a price tag for the resumption of soft loans, he made it clear that more releases were needed before the EC would ease sanctions against China.

Britain, which is confined by the EC ban, believes China has already done enough by lifting martial law in Peking and Tibet, releasing some detainees and allowing Fang Lizhi, the dissident astrophysicist, to go abroad, but France, Denmark and The Netherlands are still pressing for more releases.

Mr Maude could make only half-hearted claims for movement on Hong Kong, the main item in his talks with Chinese officials, on his return. "But what I think we have been able to do is generate a constructive atmosphere in which to manage and resolve the problems between us," he said.

He described as "progress" Peking's "relatively muted" criticism of British legislation to grant passports to 250,000 Hong Kong citizens and of the Hong Kong bill of rights.

British sources said Mr Maude confirmed his concern about human rights abuses in China to the release of detainees. A Western diplomat yesterday said: "I would have hoped that he would have linked the requirements for a resumption of soft loans to a whole range of human rights abuses and to economic reform and even to commercial realism."

China has already announced the freeing of 881 people arrested for their involvement in last year's anti-government protests. However, only about a dozen have been named, and there is no way to verify the figures.

The few who are known to have been released live in fear of re-arrest. They have not been tried or declared innocent, but told by the authorities they have been freed as a gesture of goodwill and must stay silent. Observers believe that while some prominent intellectuals may have been released because they are known abroad, many ordinary office and factory workers are still in detention.

China's ruthless suppression of freedom of speech has not softened since the massacre. Fledgling political and economic reforms have stagnated.

• TOKYO: Toshiki Kaifu, the Japanese Prime Minister, yesterday urged industrialised nations to restore relations with China more than one year after the Tiananmen Square massacre.

"Isolating China from the rest of the world and putting a brake on China's move towards democracy would not have any positive effect on peace and stability, not only for Asia, but also for the world," Mr Kaifu told business leaders.

He said the policies of the industrialised democracies towards China would further isolate China and hamper Chinese efforts for democratic reform. (AP)

End of the road for the 2CV



Production of the basic Citroën 2CV Déesse car — admirers at the Paris motor show in 1948, above, saw this early model — ceases in Portugal today, 41 years after the first of the 7,000,000 production lunched onto the road (AFP reports).

The original design specification was for a car that could carry two people and 50 kilos (120lb) of potatoes at 38 mph on three

litres (two-thirds of a gallon) of petrol per 100 kilometres (62.5 miles). The first models in 1949 had an unfurling fabric roof to accommodate top hats, and came in one colour — grey. A leading attraction was the car's suspension, which allowed it to bounce across uneven ground.

The last model will be kept as a museum piece by Citroën.

NEW YORK NOTEBOOK by Charles Bremner

Race and sexual politics take centre-stage on Broadway

Equity changes its mind within two weeks, a gesture which one Asian spokesman dismisses as "a lot of hot air".

Mackintosh says he made a "gigantic attempt" to find an Asian who suited the role and he puts the affair down to hypocrisy. This year, he notes, his team replaced Michael Crawford in the Los Angeles *Phantom* production with Robert Guillaume, a black

actor, and anyway, Broadway's most famous Asian role was the king of *The King and I*, played by Yul Brynner, a Russian-German-Swiss.

A nother Broadway cliff-hanger was settled this week. This concerns the virgins of the New York City Opera company and whether they should cover their nakedness.

The four maidens are due to appear in Schoenberg's unfinished masterpiece *Moses und Aron*, which opens in September. Their fate came into question after an official at the company wrote a memo suggesting that the undressed women might upset the National Endowment for the Arts, the government-funded body which is under intense fire from Senator Jesse Helms and other conservative politicians for giving tax money to works containing sexual themes.

With its future in the balance, the NEA reluctantly told recipients of grants this month that their money could be withdrawn if anything in their works were deemed obscene. However, Christopher Keene, the director

of the New York company, has decreed that Senator Helms notwithstanding, the show will go on with the virgins, who are sacrificed to a golden calf almost as soon as they appear.

I t is not surprising that theatres and restaurants are such big business in New York, at least according to a poll by a newspaper this week.

The *New York Observer* found that 68 per cent of citizens of the Big Apple would rather see a Broadway show than sex and 72 per cent would rather go to a restaurant than to bed. Another figure confirms the suspicions of the rest of the country that New York is an truly odd place: given a choice between sex and seeing a baseball game, the New Yorker opts for sex.

T hat emerging US minority, the heterosexual or straight, white American male (swam). After years of assertive politics by women, racial minorities, the "challenged" (handicapped) and homosexuals, the ordinary white American guy

now finds himself on the defensive, obliged to apologise to the sins of society, if not all mankind.

Ellen Goodman, an influential columnist, made a revealing joke the other day when talking about laboratory experiments. Some people, she said, think the term "white male rat" is redundant.

Of course, Anglo-strights, as "swams" are also known, do run the White House and most of the federal government, but that is not far removed from the one that makes them want to beat their wives, she says. Her point is that vegetarianism is the only hope for women and others who would not be dominated by "swams".

I f you booked a ticket to *Miss Saigon* and the show is cancelled, you might just be able to make a case for America's latest legal fad: suing for emotional distress. More and more suits are appearing from citizens claiming to have had their "mental tranquillity" disturbed by events that did not in themselves result in any damages.

In the most publicised case, 25 passengers from an Eastern Airlines flight are seeking tens of millions of dollars for the anxiety they suffered when their pilot announced an engine failure in flight. The plane returned to land uneventfully on two engines. The Supreme Court is now deliberating on what the lawyers define as a "fear of the future" action.



Prype casting has been condemned by Equity

The reticence that roared

Philip Howard

Nicholas Ridley blew out of the water another national myth — the one about English understatement. For this century at least we have prided ourselves that reticence was the supreme virtue of the upper and middle-class Englishman. He never got excited, he kept a stiff upper lip (and a loose lower jaw) at all times, and he always said fathoms less than he meant. His most enthusiastic commendations were "rather" and "not half bad", taught him at public school, where it was a sign of weakness to show emotion. He described a disaster as "rather a nuisance"; and if he said, "I don't like that woman", she should remove herself at once, and consider emigrating. When his Treasury team resigned, he described it as a little local difficulty. Even the maid announcing the sinking of the *Titanic* put it mildly: "I'm afraid there's been a boating accident."

Foreigners never believed in this strong, silent stereotype for a moment. They have met our tourists and seen our tabloid press. They know that the national characteristics of English speech are hyperbole, obscenity, bigotry and repetition. O wad some Pow'r the giftie gie us/To see ourselves as others see us. In his observations about our German allies, Nicholas Ridley demonstrated the Englishman of the new age: outspoken, downright rude, and impetuously over-the-top, dragging in Adolf Hitler to lend a touch of sophistication to his argument.

This legendary English understatement is connected with our embarrassment about showing emotion. And this arises from our dislike of children. The earliest travellers to England commented on the national practice of preferring dogs and horses to children, who were sent away as soon as possible, to learn manners at court, or later to a boarding school, where they could be inculcated with the virtues of cold baths, Christianity, cricket, and litotes. The girls were farmed out as soon as decently possible, into matrimony, or, failing that, as governesses and teachers, preferably somewhere a long way away, like Belgium. We pride ourselves on the economy of our body language, and on conveying our meanings by nuance and indirections. Not any more, it seems. We are supposed to hate fuss. As one of us observed: "The English find ill-health not only interesting but respectable, and often experience death in the effort to avoid embarrassment." She must have been talking about a previous generation. Ours goes out of its way to create embarrassment. You have only to watch the behaviour of our drivers in traffic jams, our travellers on public transport, our drinkers in the pub, to recognise that the strong, silent, reserved Englishman is extinct.

In the legend, politeness and euphemism were the makers of

...and moreover

HENRY STANHOPE

Our fridge-freezer has irretrievably broken down. Fifteen years ago we didn't have a freezer. Thirty years ago we managed without a fridge. We are now totally dependent upon both. No ice, no frozen food; warm beer; runny butter and stale milk; life is hell.

We are sustained by memories of the past. At least we know what life was like before. My grandmother-in-law, for instance, could remember what life was like before we had anything. I used to think tomatoes, along with apples, grew in Eden. But she could recall the first delivery from Spain coming to the Gloucestershire village where she lived. She could clearly remember life without a lot of things, like aircraft, cinemas, cars and combine harvesters. When these broke down her equanimity was daunting.

Sir Walter Raleigh's mother must have known the world without potatoes. "Well, I wouldn't tell Wally," she used to say, "but personally I don't like this foreign food. Of course it's all right for the young..." We are creatures of the times that we recall. I can remember life before sliced bread, the Costa del Sol and television. It follows that I recall television when it started: Gilbert Harding, the TV Toppers, and interludes that commonly surpassed the programmes in between. No one who saw the Cup Final in 1950. Arsenal and Liverpool playing in grainy black and white, would complain about any sports programmes today.

I was reared in the age of steam and village stations. No high-speed diesel loco can match the romanticism of those days. The sight of a clanking, hissing "Castle" class thundering into Shrewsbury station, the windows of its coaches dripping with rain, conveyed a very real sense of travel.

On the other hand one travelled fairly hopelessly. It took a damned long time and tested our island nation's stoicism. One sat, knees interlocked, on moquette seats, staring at sepia prints of Weston-super-Mare, as the train limped from village halt to village halt. When passengers now protest about dirty trains, or those that turn

up 15 minutes late, one nods in more tolerant understanding.

Most of all I can recall life without hygiene, or at least when its influence was less pervasive. I can remember when we all swam in the Severn without fear of coming out in spots, and when biscuits were sold in open paper bags, not plastic packs requiring the SAS to force an entry. The grocer weighed them out from large tins, changing half price for the broken bits at the bottom.

We had a local grocer when I was small who kept an ever-growing family of grey cats. I don't think he actually bred them — they did well enough on their own — though he bore a remarkable resemblance to them, being small, plump and grey with white whiskers. The main distinction lay in our grocer's trilby hat, which he wore throughout the seasons and in bed.

Nor did he, like the caterpillar on the counter. They sprawled there, licking their chops and purring softly, their tails swishing dangerously near the bacon slice or the large blocks of cheddar cheese. They were not the only fauna in the shop. From the central light there hung a yellow flypaper, slowly turning in the dusty draught from the open door, the day's kill, wings fluttering feebly, adhering to it.

I can just recall when the milk came in churns, brought round by a local farmer in his cart. He dispensed the foaming liquid in a measuring jug while his sheep dog leapt up and down and chased its tail. In those days the milk went off within two days or settled on top of one's tea in small white flecks. This was often a sign of "thunder in the air".

But I cannot remember anyone falling ill. Salmonella was something in tins one bought for tea, and listeria a rare kind of potted plant. Our antibiotics saw them off on our behalf.

It is with such remembrance of times past that we are now coping with our temporary privations. White spots on our tea? Piffle! Luke-warm gin and tonic? Pshaw! Butter dripping in sympathy with the Double Gloucester? So what! Fings are simply what they used to be chez nous.

Conor Cruise O'Brien writes, from personal experience, about legal buffers needed when groups collide

Justice falls at the ethnic barricades

The phrase "any black will do" is often to be heard on the lips of American blacks these days, especially those in New York. It has to do, primarily, with the trial of three black 16-year-olds for having taken part in the "wilding" attack on a Central Park jogger, involving gang-rape and attempted murder.

Many blacks believe that those on trial were picked up at random, and had confessions forced out of them. I would prefer not to believe that, especially as some of the black activists who make the claim are obviously an ugly lot, who make vicious, preposterous charges against a victim who will always bear the scars of that hideous hunting-down. I cannot, however, say that an "any black will do" operation is out of the question, because I personally have witnessed an attempt at such an operation, by a unit of the New York police 25 years ago.

I had been attending a conference at Columbia University. It was a pleasant late-September day, and during the lunch-break I took my walk out to read in nearby Morningside Park. There seemed to be nobody round. Then I heard running feet. Two young men

seized me from behind. In front, two frisked me, and took my wallet and watch. They made off, without hurting me in any way. It was a routine New York mugging of the mild sort. All the muggers were black, which is also routine. They were in their mid-teens.

If that were all, the story would not be worth telling here, but the sequel makes it relevant. I rang the police to report the theft, hoping to recover my watch. A patrol-car soon turned up with two policemen. The driver was silent. The other said: "Let's go find them."

We drove into a crowded street in nearby Harlem. The policeman started pointing at male teenagers and asking: "Is it that one? Is it that one?" After I had said "no" for the fifth or sixth time, the policeman turned nasty, and started to insinuate that I was a paedophile on the prowl, and that the kid who stole my watch was probably eight years old, or less.

The trip with the police was much more unpleasant than the episode with the muggers. But the most chilling aspect of that sidewall identification parade was that this was obviously a routine procedure, with which citizens were confidently expected to co-

operate. Young black males, collectively, were seen as a criminal community. It did not matter which particular member of that community was jailed for which particular offence. Any black will do.

Actions of a not dissimilar nature are known in this country. In the Guildford Four and the Maguire cases — and probably in the Birmingham Six case — the local police seem to have acted on the principle: "any Mick will do".

One could formulate a law governing inter-ethnic justice: "When members of ethnic group A habitually commit offences against members of ethnic group B, members of ethnic group B will ensure that if the actual perpetrators of a particular offence are not available for punishment, some other members of group A shall be punished in their place."

Of course this does not come about as a result of any conscious decision by the leadership of ethnic group B. It is a result of angry public demand among ethnic group B that the perpetrators of offences against them should be punished. Members of ethnic group B do not know who the actual perpetrators of a given

offence are, but they know that they are members of group A. If — as must often be the case — this is all that the police know, then the police are liable to believe that the pressure on themselves by seeking to convict members of group A at random. The courts, drawn from group B, will want to believe that the police have got the right people. The courts will not consciously think that "any black will do" or "any Mick will do", but they are liable to feel that way, if they are typical of their group.

I do not find it in the least surprising that the wrong people should have been convicted of the Guildford bombings (and possibly the Birmingham bombings), if the right people could not be found. Nor would it be surprising if the wrong people were convicted in the wake of the Central Park attack. Such atrocities, of their nature, generate community outrage, and the outrage makes itself felt in legal proceedings, through the processes I have described. ("Any black will do" as a matter of routine is another thing, and part of the peculiar social pathology of New York City.)

It could be argued — though it would be a daring argument — that

wrongful convictions after some inter-ethnic atrocity for which the guilty parties cannot be found have a positive social function. The argument would be that the convictions, even if wrongful, work to avert collective reprisals and even lynchings (which are a possibility in the New York case).

However that may be, it is clear that there is a special case for early review of convictions in the case of atrocities with an inter-ethnic aspect. The disquieting thing about the Guildford case is not the original wrongful conviction — which may be ascribed to human nature — but the long-sustained refusal to believe in, even the possibility that there might have been a wrongful conviction in the emotional atmosphere that prevailed after the bombing.

British justice, we were given to understand, is accent deaf as well as colour-blind; but it is an intrinsic part of human behaviour — and even British justice is administered by humans — to perceive and be affected by ethnic signals. Best to accept that, and allow for an early review in such cases. With the Birmingham Six in mind, I would make that an "early and speedy" review.

In place of skulduggery: the reforms that can lift Labour

When will the victories of the pro-democracy movement cease? Even the ramparts of Walworth Road no longer appear invulnerable. Scarcely a voice of old-guard protest was heard this week when Labour's executive announced a change (to be rubber-stamped by this autumn's conference and introduced after the election) that will finally end 90 years of candidate-selection procedures which made the politics of Byzantium look simple.

In future, selections will be conducted on the "one-member one-vote" principle — as advocated by the SDP Gang of Four a decade ago, and as now recommended by 87 per cent of constituency Labour parties. Neil Kinnock has declared himself delighted by the constituency opinion, as well he might be, for the new method should put paid to Birkenhead-style nonsense. In future, ideological correctness in a would-be candidate may matter less than ability to do the job. Simultaneously, mandatory reselection — a main cause of the SDP's defeat in 1981 — will end. And so a chapter in Labour constitutional history is over.

Or is it? There is more than a hint, in the recent announcement, of a democratic bandwagon that could roll.

The innocent bystander has never been able to understand why Labour preferred complexity and smoke-filled rooms to doing things the easy way. The difficulty has been the unions who, until now, have had a direct say in choosing candidates. Labour's organic relationship with trade unions dates from the party's earliest days, but for a long time relations have been strained, and as early as the 1950s some far-sighted politicians were envisaging an amicable divorce — in 1959 Douglas Jay even suggested dropping the label "Labour". Since, however, the unions not only financed the party's organisation, but also controlled its constitution, no change could happen without their consent. In many cases, most middle-class members cherished the mystical notion of a "working class" movement.

In the past, many Labour seats were fiefdoms run by a single union whose domination of a constituency management committee ensured the selection of its nominee. This system was disintegrating, even before the unworkable electoral college method was introduced after the 1987 election as a half way house — with up to 40 per cent of the vote still held by the unions, and the rest made up by a membership ballot. As far as the leadership was concerned that had been part of the problem. The fragmentation of the old structure had opened the door to intriguing by small groups.

The new system should end the worst of such abuses. But, as it stands, one-member one-vote also deprives unions of virtually all say in parliamentary choices. Couple this with the likely decision to cut the union block vote at party conference from 90 to 70 per cent, and you are looking at a very

different party, in which unions have greatly reduced importance.

Nobody gets a free lunch. The unions are not renowned for their altruistic justice, and the decision to accept these moves arises out of a shrewd perception of their self-interest. They urgently want a change of government and seek to increase the Kinnock leadership's chances through an orderly retreat.

Yet there remains a difficulty. Not only are many unionists sentimental about the party they set up, Labour leaders are worried about losing the sometimes benign influence of unions. If the party has another of its funny turns, the ability of unions to provide a counterweight to the over-excitement of activists may be sorely missed: and there is a danger that the unions, no longer able to take control themselves, may lose interest in paying the bills.

Thus Labour's new problem is going to be, not how to keep the unions at arm's length, but how to keep an arm's-length marriage happy and stable. One clever idea, floated by Walworth Road this week and intended for further investigation after conference, is to give one-member one-vote a new twist. Instead of just applying it to those who pay the individual member's £10 sub, all those technically members of the party through their membership of a political-levy-paying affiliated union would be entitled to vote as well. In this way, Mr Kinnock's headache — how to end the unworkable local electoral college system, yet keep the unions involved — would be solved. In place of the cliques of yesterday, there would be a electorate with a national total of more than four million, and parliamentary selec-

tion with all the excitement of American primaries.

By widening the franchise, the new rule would all the more effectively swamp dissident activists. It would give many Labour voters a direct sense of participation.

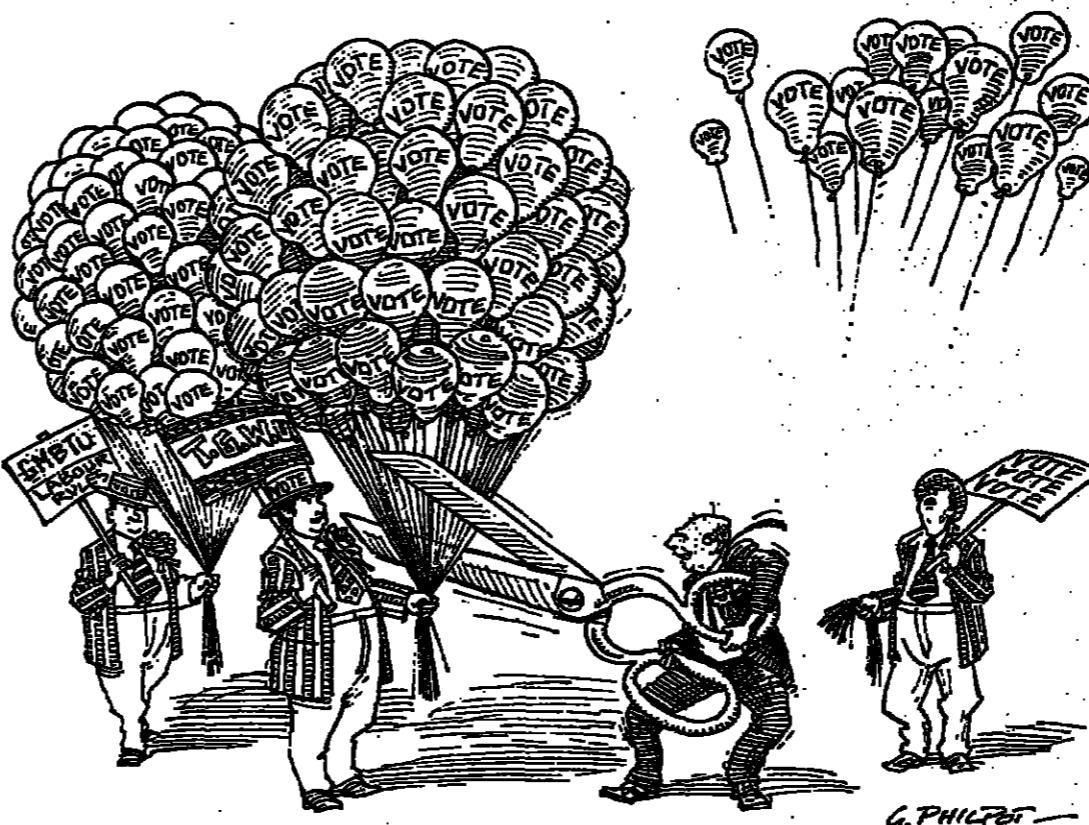
The involvement of large numbers of ordinary people would ensure the safety of such MPs as Frank Field. It would also present Labour, after its history of skulduggery, as the most democratically in-touch party in Britain.

It is a pity that such a scheme, in its present form, is completely crackers. Apart from questions of principle — it is a high proportion of levy-paying union members vote for the Conservative or other parties — the effects are, in reality, unpredictable. The cosy assumption that the scheme would result in "sensible candidates" could be wrong; though it is a fair bet that able young carpetbaggers (who currently provide the backbone of Labour's front bench) would be passed over in favour of local notables or national glamour candidates. More important, it is impractical. With an average of almost 7,000 potential voters in each constituency, the problem of working out who was and who was not a political-levy-payer entitled to vote would be an Electoral Reform Society nightmare.

Nevertheless, the idea is an interesting pointer. The outer edge of fantasy is where all the most important notions start. This one is a reflection of a powerful impulse in the Labour party to widen its concept of democracy, at precisely the time when decision-making over policy is becoming more centralised. Labour's next constitutional rule to come under scrutiny, almost certainly, will be the irrational electoral college, which elected the present leader and deputy leader. This anomaly will inevitably go.

When it does, is it likely to be replaced by a simple revision to election by MPs? The logic of this week's proposed reform and of the mooted further one, is of a further step down the plebiscitary, primary path.

The author is professor of politics at Birkbeck College, London.



Ben Pimlott sees dangers as well as opportunities in the party's changes and urges it to pursue democracy further

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Couple of swells

Sam Singh Jassar, the mayor of Hounslow, was obliged to play musical chairs when he and five friends went to see Stephen Sondheim's rarely performed water musical, *The Frogs*, at Brentford's public swimming baths the other evening. Just before the show began poolsides seats had to be found for the actress Julia McKenzie and a bearded male friend, resulting in a shuffle along the VIP row.

Only afterwards did the mayor's party learn that the star latecom

Should those other than the perfectly formed be quite so keen to bare all when the sun shines?



Pounds of flesh: will we be seeing more of men's knees at work and play as Britain heats up? And should we be seeing less of women's bosoms?

Flesh perhaps too willing

Policemen sweltering on beach patrol in Bournemouth this week pleaded to be allowed to swap their regulation issue trousers for navy shorts. Their request was turned down with a touch of postcard humour — "where would they put their truncheons?" a senior officer said.

Elsewhere a more po-faced Post Office management threatened mailmen in Herefordshire with the sack if they defied a ban on Bermudas. Such dress, pronounced an executive, "is not part of the Royal Mail image".

The nation, it seems, is not ready for the male knee. According to Anthony Edwards, a spokesman for the British Clothing Industry Association, it is all a question of credibility.

"A policeman in shorts would not be taken seriously, because he looks as if he is having fun. Men dress not to attract physically, but to attract through the uniform of their profession. They're saying they earn and are successful, in a position of power rather than through manual labour."

"There have been attempts by designers to introduce shorts for formal wear, but the problem always is — what do you do with the rest of the leg? If you have long socks and formal shoes you defeat the object, and you can also make yourself look a complete idiot. If you have sandals, it's no longer formal."

John Taylor, the editor of the magazine *British Style*, thinks the problem lies with the knee — "one of the uglier parts of the body". Shorts must be at least four or five inches above it, he believes, and socks no higher than mid-calf — "otherwise you concentrate attention on the knee".

Mr Taylor draws a distinction between what he calls the "sanc-couture of street wear, those huge baggy things made of cheap material" and something more businesslike,

which may possibly have a future if the British climate becomes substantially warmer. "At the moment, though, I don't think so."

Dress standards at work vary enormously. Shorts would be unthinkable, it seems, at the Stock Exchange, where a spokeswoman confirms: "I have certainly never seen any. Of course it is up to individual member firms, but I don't think they would be considered appropriate." In the Civil Service, however, the code seems considerably more relaxed. A spokesman says: "Contrary to popular myth we don't go around in bowler hats carrying umbrellas. Staff must inspire confidence, but if shorts fit the bill it wouldn't be against any rules to wear them."

The job itself may determine acceptability. At the BBC a senior personnel officers comments: "You won't find our commissioners in full uniform above and shorts below, but it might be different in a recording studio or filming on location in a heatwave. We try to take a common-sense approach."

The Navy seems to have it all worked out: "tropical rig" features white shirts, white shorts, white shoes and white socks. Unfortunately, it can only be worn in designated "tropical" areas — and Britain, whatever the temperature, is not one of them.

The problem seems to lie not so much with the male leg but with its bareness, says Lou Taylor, the principal lecturer in dress history at Brighton Polytechnic. "Men's legs have frequently been on display, in doublet and hose and knee breeches."

"It seems to be bare flesh that we regard as offensive," she says, "particularly in unexpected places. Then we think it's really rude."

LIZ GILL

At a formal dinner last week, held on one of the hottest nights of the year, a number of high-achieving, middle-aged career women who should have known better were wearing sun-tops and inflicting bare, wrinkled, un-tanned upper bodies on the rest of the guests. As temperatures soar, standards of dress seem to slip.

Everywhere you go at the moment, you are liable to be confronted by the unaesthetic spectacle of vast amounts of wobbly white flesh. At one time such sights were thankfully confined to beaches and holiday resorts, but now nearly naked bodies can be seen in every high street, supermarket and park.

The same women who, in the winter, would die of embarrassment if the milkman or postman caught them in their underwear, are now openly sunning themselves in tiny bikinis in all kinds of public places — lawns, roadsides, and outside pubs and restaurants. They are going shopping in skimpy black sun-tops and too-tight shorts. They are sitting in airports dressed as if they were already on the beach. They are going to work in backless see-through dresses with nothing underneath. Women who spend all winter staring in disgust at their acres of cellulite are now putting them on display.

It is not just women who fall prey to the urge to bare all. Men, too, are walking down high streets and drinking in pubs exposing their pallid chests and bulging beer bellies. It seems that every year our tolerance for bare flesh increases. At one time, anybody who walked down a public highway wearing a bra top and shorts would risk being cautioned for causing a public nuisance. Now, nobody says a word.

Why do we rush to reveal the flesh which, for most of the year, we are only too thankful to hide? It cannot be

because we want to get brown. The nearest thing most Anglo-Saxon skins will get to a tan during this current heatwave is redness, sunburn and peeling, which looks even worse, if possible, than lumpy white mottled flesh.

We can't be exposing ourselves because our bare flesh looks good. The merest glance in the mirror would confirm the opposite. And it's not as if the vast majority of us have spent the cold months honing and polishing our bodies. And we certainly can't be baring almost all because it's more comfortable that way. Quite the reverse. There can be few things more painful than sunburnt flesh sticking to hot, plastic seats. The strong midday sun on a bare back will result only in painful and possibly dangerous sunburn, especially for skin that is not used to such exposure.

Nor can we be stripping off in order to keep cool. The best way to stay cool in a heatwave is to wear a sun hat and very loose, light, cotton clothes. The most popular garments — if one can call them that — worn by the British in a heatwave seem to be tiny bands of black nylon or Lycra, fabrics which maximise sweatiness and discomfort.

The only possible explanation for the exposure, as I see it, must be that the hot sun acts as a mood-altering drug on Anglo-Saxon brains, changing our perception to the extent that we no longer see ourselves as others see us, or as we really are. In our heat-crazed fantasy, we imagine we are slim, sensuous, bronzed nymphs, or hand-some, muscle-bound hunks.

While I cannot wish for this present hot weather to end, I would appreciate not having so much flesh so unadvisedly displayed.

LIZ HODGKINSON

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Who should minister to women's needs?

In her government reshuffle this week Mrs Thatcher gave

Angela Rumbold the job of championing women's issues.

Without proper resources, is it any more than a gesture?



Shared goal, different views: Angela Rumbold (left), John Patten, Jo Richardson

to be placed in public appointments and urged women themselves to come forward.

In April 1989 it announced a five-point plan to improve childcare provision, including amendments to the Children Bill to modernise local authority registration procedures for childcare facilities, instituting annual inspections and revoking registration where necessary (the amendments were accepted); a Home Office scheme to advise on quality and standards of private nurseries (this is in force); encouraging the use of school premises for after-school and holiday play schemes (the take-up rate is not yet collated); financial support for some voluntary sector

childcare schemes (in force); and urging employers to use various tax reliefs available to set up workplace nurseries (take-up rate not yet assessed).

The group's other main concern has been in the field of domestic violence, and new guidelines to the police on how to tackle the problem will be issued next week. It has also set in motion legal studies to examine how criminal and civil law might be improved in this area, and funded local initiatives under the "Safer Cities" scheme.

A Home Office spokesman says: "Projects are financed through the department concerned. The purpose of the group is to bring together the various strands of government

and to be able to look at the issues affecting women as a whole." Despite these advances the group retains a relatively low profile, a reflection, perhaps, of the unease among Conservatives over the whole notion of "women's issues". The unease is partly philosophical (many believe that the role of women is not a matter for legislation or state intervention), and partly practical. Some observers believe attempts to go further would founder on the rocks of Mrs Thatcher's fears of a "creaky society".

The Labour Opposition maintains that ministerial groups are ultimately ineffective. They propose a women's minister with cabinet status —

Jo Richardson currently holds the shadow post — backed up by a "small but effective department" with its own staff and spending power.

Labour, which has studied similar ministries in France, New Zealand and Australia, would also create a network of regional offices to give women access at local level. It places tougher laws on sex discrimination and equal pay among its legislative priorities, plus action on childcare, employment rights and community support for carers.

Although Ms Richardson has been active in issues of particular interest to women, among them the abortion and embryo research debates and, most recently, the suggested legislation for warnings on tampon packets in the wake of the toxic shock syndrome scare, her role to date has been spent entirely in Opposition. Labour's plan remains as yet untested.

There are those, of course, to whom the whole idea of special ministerial groups for women or a minister for women is anathema. But even feminists are divided: many believe that whatever the motive, it still marginalises women's concerns.

Ms Deen does not agree. "I don't think it is demeaning. You must have someone with the commitment and expertise who can monitor and evaluate what is being done."

"I think a minister is better than a ministerial group because, although she would still have to fight for her budget with every other department, she would have more status and impact. In the end, though, you are only as strong as your money and resources, and a lot of changes will need money."

"It may be that demographic shifts and the economy will force changes. The trouble with leaving it to those forces is that, when you get a recession, women's gains tend to disappear."

LIZ GILL

To see ourselves as others would see us

DO YOU remember the marvellous Julie Christie film, *Darling*? In preparation for my summer reading I purchased the Penguin edition of Anton Chekhov's short stories and, unable to wait for the beach, turned to re-read the short story on which that film was based. The thought is demeaning. I know, but I've always worried that I may come perilously close to resembling Chekhov's "The Darling".

The heroine, Olga, is widowed twice and has one love affair. What intrigues is how passionately Olga assumes both the ideas and the ambience of the men she loves. The first husband, Kukin, runs an outdoor theatre in the Tivoli amusement park. Soon Chekhov tells us, "Olga was telling friends that the theatre was the most remarkable, the most important and the most necessary thing in the world, and that it was only in the theatre that one could obtain true enjoyment and become truly educated and humane".

Kukin dies suddenly and the next husband is the manager of a timber yard. Now it seems to Olga that, "the most important and necessary thing in life was timber, and there was something dearly familiar and touching to her in the sound of the words beam, block, board, balk, plank, slat, scantling, batten, slab ...".

Soon both Olga and her husband smell of gentility and the unctuous sulphur soap of the local baths. "Oh, we're very happy, thank God," Olga would say to her acquaintances. "God grant everyone such a life!"

Well, yes. I suppose all women assume, to some extent, certain of their menfolk's values, or else keep very quiet. This, after all, is what pair-bonding is about. In my case, it takes a slightly different turn, though no less thorough. I seem utterly impermeable to the influence of gentlemen companions in the realm of ideas, but putty when it comes to their views on my appearance.

"I adore blondes," a man I respected enormously told me, and later that day, after a perfectly agonising time at Sak's Fifth Avenue beauty salon in New York, I emerged from the hairdresser with waist-length blonde hair. The sole benefit of that experience was to discover that every word I said was now considered by le tout monde to be much cleverer than before. No one expects much of women with waist-length blonde hair, and the simple ability to construct a sentence with subject, verb and predicate is greeted with awe.

What followed was predictable. "You simply are too colonial and dreary in your wardrobe," said a male friend whose thoughts on Goethe struck me as brilliant, and by the end of the same week I had given the beige, brown and grey suits to a second-hand shop and could be seen poking about looking at spangled

can't bear the idea of listening to people discuss chocolate biscuits in terms of an addiction. There is nothing *wrong* about chocolate or *spiritual* about lettuce. The words are out of place in that context. But the thought that I might enjoy cream and butter rather than yoghurt and skimmed milk seems to shock my contemporary friends in about the same way a religious heresy could shake a medieval theologian.

I'm tempted to remind such people, including the Edwina Curries of our lives, that they are simply in the grip of a fashion, just as their forbears were. Medical science in the Victorian era, after all, considered self-abuse to be not only a sure sign of moral insanity but the basic cause of most physical ailments, just as, today, caffeine and cholesterol are singled out.

These ideas may not be entirely wrong in either example, but I am increasingly convinced that the fervour with which they are advanced has less to do with science than it does with fashion.

Obviously, the time has come to return to Rubenesque ideals, when being soft and flabby indicated wealth and accomplishment and was a sure sign that one had servants to do most of the chores and leisure time to spare. Human beings are created in many different shapes, and mine seems to be one without calf muscles or biceps. After a month of trying, I simply cannot imagine that it is either healthy or the will of the Creator that I should change my outline. It is perfectly true that exercise occasionally gives me a euphoric feeling (generally when, like writing, it is finished), which I am told is the result of sustained physical exertion releasing certain chemicals in my brain. This may well be considerably cheaper than the chemical highs purchased by more conventional addicts. But coming down from exercising is extremely depressing. As my trainer sadly remarked, after I failed to appear at his machines for two weeks: "You lose that tone really fast if you skip your workouts."

At the bottom of all this lunacy must be the age-old female fear of losing one's looks and, of course, of old age and death. These are legitimate fears, but I suspect they must be faced sooner rather than later. We do seem to be the first generation hellbent on dying in perfectly good health, and while that may not be a bad approach to mortality, it does tend to abstract one from the very real need to deal with the spiritual consequences of decline and decay.

Which is why I shall go on holiday next week and do nothing more energetic than turn the pages of Chekhov's stories, remarking once again on how his laborious act of putting pen to paper gives one more strength and insight into dealing with the inevitable world.

Personally, I think I'm about ready to give the heavens to this western preoccupation with the shape and condition of one's body. I

HEAL'S SALE

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GALLERIES

More than academic interest



Worth re-evaluation: "Pauline Waiting", an oil by royal portraitist Sir Herbert James Gunn, circa 1940s, from the current exhibition at the Royal Academy of Arts, Piccadilly

ROCK BOOKS

Enquire within, baby

All that you need to know, or more than you want to be told?

David Sinclair on rock reference books

While the popular myth of rock 'n' roll as the instantly disposable sound-track to a misspent youth was never altogether accurate, the idea of it as a subject suitable for painstaking and scholarly research would have been difficult to predict at the outset. The suggestion that an "O level" or GCSE examination in Rock Music is just around the corner may still be apocryphal, but the original aura of myth and mystery surrounding the music's prime movers has been transmuted into vast tracts of biographical material that form the basis of an ever-growing body of reference work.

On Monday, the latest of several inordinately hefty tomes which have recently begun to proliferate in the popular music section of bookshops is published. *The Faber Companion to 20th Century Popular Music* by Phil Hardy and Dave Laing (Faber & Faber, £20) is an impressive catch-all compendium that recognises few boundaries as its near-2000 entries spread themselves thickly across the estates of jazz, country, soul, blues, music hall, Broadway, and

that most ubiquitous popular music of them all, rock.

Hardy and Laing are old hands at this game and were the team responsible for the three-volume *Encyclopedia of Rock* which first appeared in 1976. However, things have moved on in the reference world since then and *The Faber Companion* will take its place alongside such recently published founts of knowledge as *The Penguin Encyclopedia of Popular Music*, edited by Donald Clarke (Viking £25), a variable but lovingly collated 1,300-page work with an unusual tendency to highlight African, Caribbean and Latin American music as well as the more obvious Western mainstream acts, and *The Encyclopedia of Pop, Rock & Soul* by Irvin Sblamler (Macmillan £17.95). This is an updated edition of the American book originally published in 1974, which has a fairly cavalier approach but is a generally more entertaining read despite its American bias.

Indeed, a casual browse through the book department of the Virgin Megastore in Oxford Street reveals shelves laden with rock reference books. There is everything from the *New Illustrated Rock Handbook*, a crude imitation of the *NME* rock encyclopedia of the Seventies, credited to Mike Clifford (Salamander £6.95), to the massive *Blues Who's Who - A Biographical Dictionary of Blues Singers* by Sheldon Harris (Da Capo, £25), an enormous paperback, weighing several pounds and stuffed with raw, indigestible data

that took the author 18 years to research.

Quite what lies behind the appeal of all these biographical accounts of everyone from the inevitable Abba to ZZ Top is something of a mystery, but it is interesting to note that the press release accompanying the *Faber Companion* attempts to grab the attention with a series of Trivial Pursuit-style questions. Two examples: "Who wrote 'Rudolph the Red-Nosed Reindeer'? Who was the ex-paratrooper, left-handed, who played a right-handed guitar upside-down throughout his career?"

Unfortunately, as the volume has no index, it would actually be impossible for someone without prior knowledge to find the answers to such questions without systematically wading through the 875 pages until stumbling upon them. (And in case you were wondering, the answers are Johnny Marks and Jimi Hendrix.)

It is with the never-ending stream of Guinness chart books, compiled by Paul Gambaccini, Tim Rice and Jonathan Rice, that the line between knowledge and trivia is at its finest. For apart from newspaper hacks and other professionals – for whom these books have become basic tools of the trade – of what possible use can be the alphabetic presentation of dry chart data (enlivened by a few pictures and only the briefest analysis), other than as a means of pandering to the train-spotter urge which most people have outgrown by the time they become teenagers?

The latest wheeze in this money-spinning series is *Guinness Hits of the 80s* (Guinness £11.95). This volume is their most inspired ploy to date, since it neatly updates both the singles and the albums books, but without rendering them obsolete. Clearly, as rock enters its fifth decade, the reference book gravy train is proceeding at full steam ahead.

Part 39 of David Sinclair's collectors' A-Z, a guide to the essential albums of the most enduring performers of rock. To qualify for inclusion in this series, an act

must have sustained a recording career of at least 10 years, and have mustered at least one decent album during that time. The entries are designed to be pasted

John Russell Taylor on a show which should result in a more positive press for the Royal Academy's collection and attitudes

In the Royal Academy, as in Our Father's House, there are many mansions. There always have been, although the usual view of the Academy is as a monolithic authority with its face set against the present. However, its latest show *The Edwardians and After* delivers a few shocks.

The show has already had a triumphant tour of the United States, starting at the IBM Gallery, New York, in September 1988. The involvement of IBM was crucial, since it was due to its sponsorship that the pictures themselves, drawn from the Academy's collections of its own members, could be conserved and restored into today's splendid shape. Nor does the American première of the show seem so bizarre when it is remembered that Americans do not have the sort of automatic prejudice about the Academy which impairs clear perception in Britain.

But exactly what does need to be clearly perceived? Primarily, it is necessary to see round the Alfred Munnings image, to forget the notorious presidential address soon after the war in which he denounced everything since Matisse as rubbish, anarchic, and a plot against all that was decent and professional in art. In fact Munnings admitted that many academics of that time did not agree with him; the tone is more that of a Cassandra, well aware that her desperate warning will go unheeded than that of a balanced *ex cathedra* pronouncement.

That is not to say that many academics, before or since, are firmly (if secretly) wedded to extreme modernism. What would be the point of their joining the Academy if they were? But it is clear that as a grouping with diverse tastes and standards of

judgment, they have generally been more open to new ideas than the Munnings of this world ever cared to admit. *The Edwardians and After* is a particularly encouraging show today, in that it chimes perfectly with current Post-Modernist ideas about pluralism in the arts.

Up to about ten years ago, it was assumed that there was only one acceptable way to modernism: the way of abstraction. Now a lot of representational, if not downright realistic, ways of painting are accepted as equally valid alternatives. Once movements such as Italian Magic Realism or German Neue Sachlichkeit (New Objectivity) reassume their rightful place in the march of modernism, many paintings by eminently respectable RAs of the Twenties and Thirties appear in a new light. The recently revalued Meredith Frampton was all right because of an obvious link with Surrealism. But look again at the two crystaline landscapes by Charles Marchere, suffused by something very like the Magic Realist light that never was on land or sea. Or look at "Pauline Waiting", by the royal portraitist Sir James Gunn, and try to ignore the hard-edged, unsparing portraits of Christian Schad or Otto Dix.

Earlier on, there are British painters with Symbolist associations, such as Frank Cowper or Robert Anning Bell or the prolific illustrator Maurice Greiffenhagen, who are by no means inferior to their now highly-prized Continental equivalents. And of those great figures who have been marginalised as English eccentrics, Stanley Spencer at least is present in force, and firmly forbids the modern world to dismiss him to some quaint pigeonhole labelled "Cookham". In *British Art in the 20th Century* he looked as much as

anybody, and more than most, like a figure of world stature. He still does.

There are a few dull pictures here, but in general the show proves that it has not been necessary, at any stage, in the Academy's recent history, to be a licensed eccentric in order to show originality and invention. Sicker, Brangwyn and Augustus John did not have much in common, except that they were clearly placed in the great tradition and would hardly pass the most rigorous definition of iconoclasm.

Yet they were all, in their various ways, highly personal and original in their stylistic development and their approaches to the whole business of making art. That they, like Spencer, quarrelled intermittently with the Academy somehow only makes them more typical members of it.

Sicker is unique in that he was almost always accepted by the Ancients and the Moderns. At the moment he is also on show in London with the Tate Gallery's *Focus 1* show, which includes all 35 of the Tate's own Sicker holdings.

But perhaps the day is not so far distant when Brangwyn will be accorded a similar concentrated re-examination rather nearer the metropolis than Hull, or Augustus John will emerge again from the shadow of his recently more fashionable sister Gwen. If and when these things happen, *The Edwardians and After* will have been a significant stepping-stone.

• *The Edwardians and After: 1900-1950*, Royal Academy of Arts, Piccadilly, W1 (071-439 7438) until October 21. Focus 1: Walter Richard Sickert (071-521 8513), until September 16.

CRITIC'S CHOICE

BLITZED: George Rodger was one of the most distinguished photographers to find himself in the heart of London during the Blitz. His pictures sometimes bear comparison with Moore's shelter sketchbook, and one can hardly say better than that.

Zelda Chester, 8 Cecil Court, WC2 (071-836 0506), Mon-Sat, 10am-6pm, until August 10.

LITTLE MYSTERIES: The boxes and tokens of the show's title are all small, hovering somewhere between painting and sculpture. They are all somehow strange and mysterious; some are quite beautiful.

England & Co, 14 Needham Road, W11 (071-221 0417), Tue-Sat, 11am-6pm, until August 25.

FUTURETHINK: The V & A has its duty to the present as well as the past, to the disputed and ephemeral as much as the for-the-time. Its recent acquisitions "Collecting for the Future" run from floxites to terracotta Victoria and Albert Museum, Exhibition Road, SW7 (071-588 6500), Mon-Sat, 10am-5.30pm, Sun, 2.30-5.30pm, until August 12.

PRIVATE CASE: Stanley Scott was a Dulwich collector who died earlier this year. "A Very Private Collector" shows a selection of the 7,000 objects he left to Dulwich Picture Gallery, including some fine modern watercolours and drawings. Dulwich Picture Gallery, College Road, SE21 (081-693 5242), Tue-Fri, 10am-5pm, Sat, 2-5pm, Sun, 1-5pm, Sun, 2-5pm, until August 2.

LAST CHANCE: FATHER WROTE THE BOOK: It cannot be easy for a painter to be the son of the man who compiled the most authoritative dictionary of artists living and dead. But clearly that got Edmund Charles (1867-1975) into *Benazet*, Mercury Gallery, 26 Cork Street, W1 (071-347 8000), Mon-Fri, 1pm-5.30pm, Sat, 10am-12.30pm. Ends tomorrow.

WELSH WIZARD: George Chapman, sympathetic exponent of the Welsh scene, ends August 4. Pride Gallery, Radley Mews, London W8 (071-938 4374), Tues-Fri, 10am-6pm, Sat, 10am-2pm.

OFF THE DOORSTEP: *Locusts* by Pinhas, ends August 4. Marlowe Graphics, 42 Dover Street, London W1 (071-495 2642), Mon-Fri, 10am-5pm, Sat, 10am-4pm.

JOHN RUSSELL TAYLOR

ROCK ALBUMS

Women's work

June Tabor and the Oyster Band: *Freedom and Rain* (Cooking Vinyl COOK 031)

BLESSED with a voice of astringent purity, June Tabor has long been the insiders' favourite folk singer. Here she joins forces with those doyens of the modern English folk-roots circuit, the Oyster Band, and the result is an album whose exquisite quality recalls nothing less than the finest work of the Sandy Denny-era Fairport Convention.

A glance at the songwriting credits suggests a modish contemporaneity – "All Tomorrow's Parties" by Lou Reed, "Valentine's Day is Over" by Billy Bragg, "Lullabye of London" by Shane McGowan – but can hardly prepare the listener for the glorious shimmering texture of the production (by the Oyster Band). The combination of hard instrumental backbone and Tabor's ethereal delivery highlights the tough, haunting evocation of the deep South on Si Kahn's "Mississippi Summer". A charmed balance of strength and sensitivity is maintained on several updates of traditional material, including "Dives and Lazarus" and "Susie Clandell". Best is an uptempo Richard Thompson song, "Night Comes In", with a vocal like the caress of a cool breeze.

A work of considerable beauty and clout, this is the album that has been needed to stiffen the sinews of English folk-rock.

Emmylou Harris: *Duels* (Reprise 7599-25791-1) Perhaps the single most important contributor to mapping the course of modern country-rock, Emmylou Harris is adept at the art of the celebrity duet. This compilation has her best efforts, with partners ranging from a subdued Neil Young on "Star of Bethlehem" to old-school dignitary George Jones ("All Fall Down"). Harris has a rare knack for providing a sympathetic counter-

point to singers of wildly differing styles and qualities. Thus her voice manages to sound equally at ease weaving like a delicate vine round the guarded old trunks of Willie Nelson's baritone on "Gulf Coast Highway", as it does soaring on the wings of the most fearfully high notes with Roy Orbison on "That Lovin' You Feelin' Again", a Grammy winner.

Such a pliant artistic nature however, leaves a nagging feeling that as a dietician Harris has spent rather too much time bending in with the dominant musical landscape; what is meant to be her record begins to sound like a "various artists" compilation.

Bonnie Raitt: *The Bonnie Raitt Collection* (Warner Bros 7599-26242-2)

Having weathered virtually a decade of public indifference, Bonnie Raitt's sweeping of last year's Grammy Awards with her *Nick of Time* album (a No 1 in America) was an unpredictable as it was welcome. Now her former record company weighs in with a timely selection of back-catalogue material: 20 tracks spanning the years 1971 to 1986, carefully presented with a wealth of background information, and liner notes supplied by Raitt herself.

Although rooted in the blues, Raitt's singing and slide-guitar style has none of the asperity associated with that most fundamental of contemporary genres. Even her more upfront pronouncements – "Give It Up" or "Let Me Go", "Love Me Like a Man", "N' Way to Treat a Lady" – have a good-humoured, gentle quality about them that belies the steely intent of their lyrics.

Among many treats are a previously unreleased live version of "Women be Wise" – a duet with the ancient blues singer, Sippie Wallace – and the heart-rending Eric Kaz/Libby Titus ballad, "Love Has No Pride".

RONNIE SCOTT'S CLUB: Stainless-steel bop and mainstream post-bop from saxophonist Branford Marsalis, whose quartet ends its residency tomorrow. From Monday it is the turn of the vibrant Cuban band Ikeria, returning for its annual summer run.

Ronnie Scott's Club, 47 Frith Street, London W1 (071-439 0747), Mon-Thur, 9.30pm, £10 (members £2), Fri-Sat, 10pm-11.30pm, £12 (members £3), Sun, 1-5pm, £12.

RUBY BRAFF: Final chance to catch the great American conman, spinning gossamer improvisations with sensitive accompaniment from guitarist Howard Alden and bass player Frank Tait.

Police On The Park, 11 Knightsbridge, London SW1 (071-235 5273), tonight, 9.15pm and 11.15pm, £10.

BUXTON JAZZ FESTIVAL: Traditional and mainstream sounds from Janusz Kamiecki, Tommy Whittle and the Zenith Hot Stompers. Pavilion Gardens, Buxton (0292 72160), Sat, 3pm-11pm, £6.

JAZZ AGAINST APARTHEID: This year's all-day event will presumably be in a more celebratory vein than usual. Heik-leather vibes player Orphy Robinson tops the bill, with support from the Tommy Chase Band, Tazi Pata Pata and Orchestra Rastaf.

Watermans Arts Centre, 40 High Street, Brentford (081-847 5651) Sat, 1pm-6.30pm.

JOE ZAWINUL: Somewhat cast adrift after the break-up of Weather Report, the keyboards player has worked his fusion into a new light with his fusion line-up. The Zawinul Syndicate Support (at the Mean Fiddler) is Ketell Keneg, who is in danger of being lumbered with the "new Sned" tag. Cambridge Folk Festival (Bert Jansch only), Cherry Hinton Hall Grounds, Cambridge (0223 463359), tonight, 6pm-11.30pm, tomorrow, 12noon-midnight, £22. Acoustic Room, Mean Fiddler, 24-26 Haresden High Street, London NW10 (081-961 5490), Wed, 7pm.

TEXANA DAMES: Richly diverse roots band from Austin, Texas, led by Charlene Hancock and her daughters Traci Lamar and Connie Hancock. Their music is a beguiling cocktail of country, cajun, R'n'B, salsa and polka.

Weavers Arms, 98 Newington Green, London N1 (071-226 6911), tonight, 8.30, £12. Cambridge Folk Festival (Bert Jansch only), Cherry Hinton Hall Grounds, Cambridge (0223 463359), tonight, 6pm-11.30pm, tomorrow, 12noon-midnight, £22. Half Moon Putney, 93 Lower Richmond Road, London SW15 (081-788 2387), Mon, 6.30pm, £5. Breadon Bar, 1652 Pershore Road, Kings Norton, Birmingham (021-459 6573), Tues, 7pm, £5.

DAVID SINCLAIR

WORLD MUSIC

ISLAND TO ISLAND: The most extensive festival of Balinese and Javanese music, dance and theatre to be held in this country. Highlights include contemporary compositions for gamelan and an all-night performance of the Javanese Wayang Golek puppet theatre.

The South Bank, London SE1 (071-928 8800), tomorrow to August 4, £4-£12.

CAMBRIDGE FOLK FESTIVAL: With the current resurgence of folk rock and acoustic music, this venerable 26-year-old institution should have one of its best years yet. Performers include Michelle Shocked, Jon Ely and Don McLean.

Cherry Hinton Hall Grounds, Cambridge (0223 463359), today-Sun, £12-£16.

LES TETES BRULEES: Visually, a sort of African Sigue Sigue Sputnik with added football influences, this unusual group from Cameroon plays a raw, loud version of Zouk that it calls Bokutu rock. Subterranea, Ackland Road, London W10 (081-960 4590), Mon, 8pm, £5.

MEL TORME: The American singer is the guest performer on the opening night of the annual Summer Pops season. John Dankworth appears with his trio and also conducts the LSO.

Barbican Centre, Silk Street, London EC2 (071-838 8891), Thur, 7.45pm, £20.

CLIVE DAVIS

ROCK

JEFF BECK: Since his days with the Yardbirds and the Jeff Beck Group he has remained a moody, imperious presence operating in small bursts of concentrated excellence from the sidelines of British rock. These rare live dates promise to be a dazzling display of gut force and technical prowess.

Hammersmith Odeon, Queen Caroline Street, London W6 (081-748 4081), tomorrow, Sun, 8pm, £10.50-£12.50.

Free market is near, says Gorbachev

From REUTER IN MOSCOW

PRESIDENT Gorbachev said yesterday that the Soviet Union could lay the foundations for a market economy in two years with Western help. Speaking at a joint news conference after talks with Giulio Andreotti, the visiting Italian prime minister, Mr Gorbachev said Western creditors would help the importation of crucial raw materials and would develop the country's own free-market industrial potential.

"In these next two years, when we face especially difficult changes, we need this help," the Soviet leader said. "None the less, we hope that after two years thorough work we could introduce a strong market mechanism. Of course we still have a lot to do if we are to achieve this."

He said the Soviet food industry and light industry, producing consumer goods neglected under old-style communism, might soon show signs of improvement.

Signor Andreotti said the success of perestroika was vital for European security. The West must provide concrete help. He gave no details of co-operation agreements, but said the two sides had decided to confer in August about possible economic aid. Foreign ministers would then meet in October to discuss putting plans into action.

President Gorbachev said:

Soviet harvest, page 9

New submarine may be scrapped

By MICHAEL EVANS, DEFENCE CORRESPONDENT

PLANS for a quieter and faster nuclear-powered submarine for the Royal Navy might now be in doubt because of the government's "options for change" cuts and renewed objections from the Treasury over the cost of such a programme.

Lord Chalfont, chairman of Vickers Shipbuilders, said yesterday he believed that the chance of building a new submarine, the SSN20, to replace the Trafalgar class, might have vanished. Although this was disputed by the Royal Navy yesterday, the future of the SSN20 appeared to rest in the hands of the Treasury.

Even before the announcement this week of a proposed cut in the submarine force from 27 to 16, the defence ministry and the Treasury had been involved in intense negotiations over the planned development of a new class of nuclear-powered submarine.

Complex decisions, page 2

The Trafalgar class, with its special propeller system, is already one of the quietest in the world. There are six in service and another, HMS Triumph, is being built at Vicker's yard at Barrow-in-Furness, in Cumbria. There are no more orders for Trafalgar class boats.

Tom King, the defence secretary, has made it clear that a decision on further orders for submarines will be announced in due course. However, Vicker's, at present the sole submarine builder, said that the company wanted talks with the defence ministry to find out what was being planned. One option appears to be to delay any development of a new class of nuclear-powered submarine until the late 1990s but the Treasury is expected to take the lead in trying to kill off the programme.

There it will wait in its airtight steel containers until the other shells, some containing Sarin, arrive. They will be loaded on trains which will take them 300 miles to Nordenham on the North Sea for shipment on board two US Navy vessels to the Pacific.

Crowds gathering to watch the convoy of chemical weapons roll slowly through Clausen on its way to the Pacific

US chemical arsenal on the move

From IAN MURRAY IN BONN

The first 3,500 of America's European arsenal of 102,000 deadly chemical artillery shells safely made the first part of their journey to eventual destruction on a Pacific atoll yesterday. Guarded by 1,200 police, the VX nerve gas was taken in a five-mile-long convoy from Clausen near Kaiserslautern to another US depot at the railhead 30 miles away at Miesau.

It will wait in its airtight steel containers until the other shells, some containing Sarin, arrive. They will be loaded on trains which will take them 300 miles to Nordenham on the North Sea for shipment on board two US Navy vessels to the Pacific.

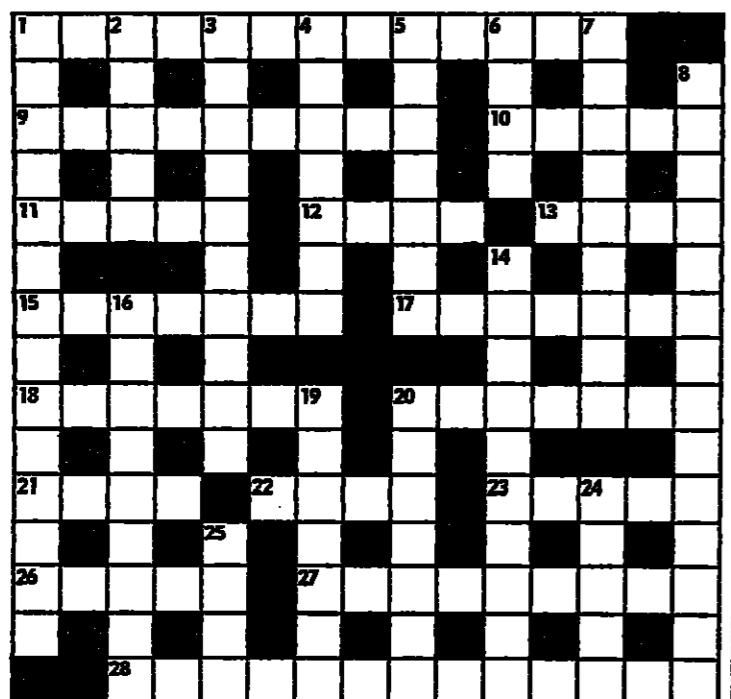
General Dennis Benchoff, who was in charge of the operation, said proudly afterwards: "I believe that a piece of

German history has been written today." Rudi Geil, the Rhineland-Palatinate interior minister, responsible for liaison between the American and West German authorities, said he was "a bit relieved" it had all gone off so well.

A last-minute legal attempt to stop the first transfer failed on Wednesday afternoon when the court in Mainz rejected an appeal against an earlier judgement in Cologne ruling that the convoy was safe. Frau Angelika Beer, security spokesman for the Greeks, yesterday regretted the decision.

Johnston Atoll, page 9

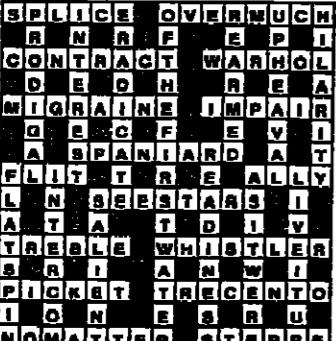
THE TIMES CROSSWORD NO 18,357



ACROSS

- 1 Decline it is no different for artistic type (13).
- 2 Put on an expensive film (4-5).
- 10 About to perform again piece of church music (5).
- 11 President's study aid (5).
- 12 Fruit appears to lose freshness (4).
- 13 Conflict with maiden can become heated (4).
- 15 Avoid one on purpose (7).
- 17 There's a lot in report - I only use extract (7).
- 18 No partnership gets first all the time (3-4).
- 20 Irish quarter in European city (7).
- 21 Not a counterfeit coin (4).
- 22 Kiss for unromantic Miss (4).

Solution to Puzzle No 18,356



23 Pronouncements backing police force and army, once (5).

26 Stone dam unable to stop flow of water (5).

27 Jet flier (9).

28 Writer's a mug to put queen in play first (3,5).

1 Battle call that indicates one's plight (10,4).

2 President introduces a fast measure (5).

3 Speak at length about right to be resident abroad (10).

4 Deputy's grade reduced (5-2).

5 Minimal dance? (7).

6 Small island modern ruler doesn't need (4).

7 Medical type treats hip that's damaged (9).

8 Unexceptional choice of words associated with market (6,2).

14 Ruler with impressive fists (5,5).

16 Share somebody's burden, perhaps? (4,5).

19 Expert on pipes and piano to impose upon (7).

20 Lost girl is left inside (7).

24 Harmonize with hymn, say, in church (5).

25 Choices one needs to change fairly often (4).

Concise Crossword, page 15

WORD-WATCHING

By Philip Howard

HISTORICALS

GORHAM

- a. A Roundhead general
- b. A religious controversy
- c. The assassin of Spencer Perceval

PICARDS

- a. French mercenaries
- b. Professional artists
- c. Hundred Years War battle

KHAKI ELECTION

- a. British general election
- b. Conscription
- c. Army reorganisation

THE NOTABLES

- a. French senators
- b. Members of the Royal Society
- c. The Royal Highlanders

Answers on page 20

National traffic and roadworks

National motorways

Local roads

Motorways

Property group suffers £69m loss

MOUNTLEIGH, the property group where American entrepreneurs Nelson Peltz and Peter May took a near-23 per cent controlling stake in November, has undertaken a comprehensive financial clear-out, leaving it with a net loss of £69.8 million for the year ended April, against a £31.3 million profit last time.

A £56.1 million write-down on Mountleigh's property portfolio and the £19.8 million cost of restructuring Galerias Preciados, the Spanish retailer, have been included as exceptional items. A further £14.9 million, relating to losses on the sale of subsidiaries, and the stake in Storehouse have been taken below the line.

Shareholders will collect a final dividend of 3.5p, making 4.75p for the year, the same as before. The group still has borrowings of £600 million and gearing of 95 per cent.

Tempus, page 25

Herrington ban

Fimbra, the financial intermediaries, managers and brokers regulatory association, has issued an urgent suspension order against a firm of intermediaries in Kent. Herrington Investment Services of Dartford, was ordered to cease investment business with effect from 9am yesterday morning.

Douglas gains

Robert M Douglas the building, civil engineering and construction equipment group, has raised its dividend 62 per cent to 10.5p, with a 7.5p final, for the year to end-March. Taxable profits rose 39 per cent to £12.39 million on turnover of £327 million, up 25 per cent. Eps rose 22 per cent to 47.5p.

Tempus, page 25

Smith falls

David S Smith (Holdings), the paper and packaging company, suffered a 20 per cent drop in pre-tax profits to £26.4 million on sales of £363.7 million for the year to end-April. A final dividend of 6.5p makes 9.25p for the year, a rise of 5.7 per cent.

Tempus, page 25

THE POUND

US dollar 1.8115 (+0.0020)
W German mark 2.9442 (+0.0114)
Exchange index 93.1 (+0.2)

STOCK MARKET

FT 30 Share 1851.5 (-14.2)
FT-SE 100 2344.1 (-20.6)
New York Dow Jones 2927.72 (-3.22)
Tokyo Nikkei Ave 31369.75 (-381.52)
Closing Prices ... Page 27

INTEREST RATES

London: Bank Base 15%
3-month libor 15.14%
3-month sterling bills 14.4%
US Prime Rate 10%
Federal Funds 8%
3-month Treasury Bills 7.56%
30-year bonds 10.2%
30-year bonds 10.2%
ECU 0.703668 SDR 0.749086
ECU 1.421326 SDR 1.34028

GOLD

London Fixing: AM \$370.60 pm \$368.75
close \$368.25-\$368.75 (203.00-
203.50)
New York: Comex \$368.70-\$369.20*

NORTH SEA OIL

Brent (Aug) ... \$18.00/bbl (\$19.15)
* Denotes latest trading price

TOURIST RATES

	Bank Buy	Bank Sale
Australia \$	2.27	2.27
Austria Sch	21.45	21.45
Belgium Fr	63.50	59.20
Canada \$	2.17	2.17
Denmark Kr	18.68	19.98
Finland Mark	7.25	6.82
France Fr	10.25	9.75
Germany Dm	3.35	2.97
Greece Dr	3.24	2.78
Hong Kong \$	13.74	13.74
Ireland Pi	1.145	1.145
Ireland Punt	2.10	2.10
Japan Yen	287	334
Netherlands Gld	3.43	3.34
Norway Kr	11.63	10.58
Portugal Esc	2.68	2.63
South Africa Rand	5.20	5.00
Spain Pta	187	175
Sweden Kr	11.11	11.11
Switzerland Fr	2.595	2.455
Turkey Lira	5000	4600
USA \$	1.895	1.79
Yugoslavia Dinar	25.00	19.00

Rates for small denominations bank only as supplied by Barclays Bank PLC. Different rates apply to travellers cheques.
Retail Price Index: 126.7 (June)

★★★★★

Shares plunge as half-time profits fall 21% to £733m

ICI stops making fertiliser

By DEREK HARRIS, INDUSTRIAL EDITOR

ICI is leaving the loss-making fertiliser business by closing its plant at Billingham, Teesside, and selling the rest of its British interests to Kemira Oy, the Finnish company and Europe's second largest fertiliser producer after Norsk Hydro.

The 35-acre Billingham site, 640 jobs are to go to the impact on workers will be cushioned through redeployment. ICI is setting aside £100 million to meet closure costs, including plant dismantling at Billingham. There are 540 ICI employees who will transfer to Kemira, mainly at plants in Teesside near Bristol and Leith near Edinburgh.

The sale involves less than 2 per cent of ICI assets, which means ICI will be receiving less than £100 million. Sir Denys Henderson, the ICI chairman, said negotiations over price had not been completed as the deal had only been agreed in principle.

He nevertheless admitted the sale price was likely to be less than the asset value of the plants being acquired. However, there are three allied businesses still to be sold. Sir Denys said: "With these additional transactions, we would expect to see something back. The net result would be a substantial cash positive inflow."

The other businesses are two merchanting operations, Scottish Agricultural Industries and BritAg Industries, and the liquid carbon dioxide and manufacturing company, Dri-kold cooling materials.

At the Teesside plant Kemira is taking over advanced technology ammonia

production developed by ICI, which spent £60 million on the plant. ICI is retaining licensing rights.

Sir Gordon Bonnie, director general of fair trading, is likely to scrutinise the deal, which will push Kemira's share of the British fertiliser market from 17 to an estimated 33 per cent. Norsk Hydro, which also has a production plant in Britain, has about 23 per cent.

Sir Denys said the business logic for ICI of quitting fertilisers was unanswerable. There had been losses for four years and every effort had been made to improve the business, including vigorous cost reduction as well as new technology.

"There is never a good time to sell a business that is not in good shape." ICI has no continental production and Sir Denys believes only companies with a full European presence will be sufficiently profitable in the longer term.

"This decision is another stage in our strategy of focusing our resources on businesses where we can be assured of good long-term profitable growth based on a strong international market position, a good track record and keen competitiveness."

ICI's worldwide fertiliser business turned from a £79 million profit in 1985 to a £17 million loss the following year, followed by break-even in 1987 and £11 million losses in 1988 and 1989. ICI has fertiliser manufacturers in Canada - also loss-making - and in India, Australia and Malaysia, which are all profitable. There are no plans to sell the fertiliser interests abroad, but the position is being "watched carefully". The Brit-

ish operation is believed to account for about 40 per cent of the total ICI fertiliser business.

ICI sent shock waves through the City with a 21 per cent setback in interim pre-tax profits. The group also gave warning of tough times ahead (Colin Campbell writes).

The shares fell 65p to £10.40 in a turnover of 7.6 million shares. There was a knock-on effect depressing other chemical shares and market leaders and the FT-SE 100 index fell 20.6 to 2,344.1.

Sir Denys reported pre-tax profits in the six months to end-June down from £92.5 million last time to £73.3 million, on turnover up 3 per cent to £6.82 billion mainly because of currency movements.

For the first time since 1980, ICI is not raising the dividend. The interim payout stays at 21p a share, out of net earnings of 67.4p (82p).

"If ICI had felt any glimmer of hope or optimism, it would have put 1p on to the interim dividend," said Jinty Price, chemicals analyst at BZW.

"We all thought ICI had been bumping along the bottom for the past six months. Clearly, the bottom has not yet been reached," she added.

Analysts now expect ICI merely to maintain this year's final dividend, though the company said a decision would be taken at year-end to reflect the outcome and the board's assessment at that time of prospects for 1991.

ICI would not be drawn on financial prospects. Sir Denys said: "This is not a time to give forecasts ..."



Comment, page 25

National Power left in the red

By MARTIN WALLER

A GRAND deck-clearing exercise to pave the way for privatisation and a five-year cost-cutting programme have left National Power, the country's biggest electricity generator, £605 million in the red in the year to end-March.

At the pre-tax level, National Power made £178 million, after exceptional items of £231 million. Profits were further reduced by £683 million of extraordinary items, £411 million of these to be used over the next five years to cut 5,000 jobs and close some of the group's older and less efficient coal-fired power plants.

Sir Trevor Holdsworth, appointed chairman of National Power just three weeks ago, moved to clear up some of the confusion which has arisen since the news that PowerGen, the smaller electricity generator, could be the subject of a £1 billion-plus sale to Hanson, the industrial conglomerate. He predicted that National Power would be "floated as one entity in February".

A spokeswoman for the Department of Energy later clarified the official line. It was the government's present intention to float National Power next year, but any serious offer made before then could not be ignored.

National Power is not commenting further, but officials were privately appalled at the prospect, however remote, of being sold before the company reached the stock market.

Hanson is expected to make a firm offer for PowerGen in about three weeks. This will be taken by the government as a baseline figure. There will then be a tender offer, and Hanson will be given the option of putting in a higher bid. The government will then have to decide whether to accept any of the offers by the autumn.

National Power's figures, which had been well flagged beforehand, caused little surprise among analysts. The power group is stressing that both the profit and balance sheet figures are not indicative of those which will go into February's prospectus, which will include a profits forecast for the current financial year.

Tangible fixed assets, including plant, land and buildings, were in the books at £2.57 billion at end-March. However, the City expects further hefty write-downs of the value of these, perhaps to as low as £1.6 billion, in the prospectus.

Nightmare facing Europe's artificial manure makers

By WOLFGANG MÜNCHAU

THE European fertiliser market is a producers' nightmare. Dogged by declining demand, overcapacity and widespread dumping practices, it offers

little attraction for medium-sized producers, such as ICI, whose total capacity last year was 4.3 million tonnes, compared with Norsk Hydro's 1.3 million tonnes.

Last year, European demand for fertilisers decreased by 1 per cent, a trend that is likely to continue until the end of the decade, according to the European Fertiliser Manufacturers' Association, the umbrella organisation based in Brussels.

The downturn in demand is because of a European Commission-induced initiative to set aside land, as well as a result of changing farming practices. Farmers have been using fertilisers more sparingly and efficiently; this trend will accelerate after moves by the commission to reduce nitrate levels in water, mainly caused by fertilisers.

One example is BASF, the West German chemical group and another middle ranking player. BASF has decided to increase its exposure to the

business, building a plant in Belgium.

The third problem for the industry is the opening of Eastern Europe. The European Commission has tried to fight dumping practices from Eastern European suppliers by putting up quotas to protect West Europe's industry.

In Britain, the price per tonne of fertiliser is £118, but Bulgarian suppliers offer the same quantity for £108. Even the £1.18 amounts to no more than the prices prevailing in 1985.

Soon, some Eastern European countries will gain associated EC status; others will become full EC

members, and the remaining quotas and restrictions will disappear. The result will be more competition, greater overcapacity, and perhaps even lower prices.

The Western European companies can answer this only by further consolidation. Among

the middle ranking producers, Fisons recognised this eight years ago. ICI has recognised this now, but others such as Hoechst, the West German chemicals firm, might follow. Norsk Hydro, Kemira, and perhaps BASF, will emerge as the three dominant groups in Europe. The rest will be taken over, shrink further or disappear altogether.

BP raises price with a warning

By MARTIN BARROW

BP has given warning that petrol prices may rise further if the Organisation of Petroleum Exporting Countries (Opec) succeeds in agreeing new quotas that will force up the price of crude oil.

The warning came as BP, Shell and Texaco confirmed 5.5p increases on all grades of petrol to push the price of a gallon of four-star above £2. Esso started the latest round of increases on Wednesday with a 4.4p rise.

Motorists will now be paying between £2.04 and £2.05 for a gallon of four-star, and an average of £1.91 for a gallon of unleaded. Jet fuel will be maintained at 22.5 million barrels a day until the end of the year. That would throttle supply hard enough to put upward pressure on prices.

BP said yesterday that the latest increases were forced

upon it by higher prices for gasoline in the spot market in recent weeks and did not take into account a possible rise in the price of oil following the Opec meeting now being held in Geneva.

Last night, the 13 members of the cartel looked close to reaching agreement on a target price of at least \$20 a barrel, comfortably above the recent price range of between \$14 and \$17 (Alan McGregor writes from Geneva).

Observers believe there will be a firm commitment to adhere to production quotas, which look certain to be maintained at 22.5 million barrels a day until the end of the year. That would throttle supply hard enough to put upward pressure on prices.

The society has been critical of a new ambitious growth policy that lacks a clear direction.

It launched a new life company in February in a joint venture with General Accident and is promoting a new Visa credit card.

Ken Andrews, group director of strategy and marketing, left N & P in January, amid uncertainty over the society's future direction. At the time, the society shed 80 jobs and closed six of its branches. Barbara Vondi, head of N & P's strategic planning group, left in January.

The society is still trying to recruit a finance director, six months after the board reshuffle that created the vacancy.

Richard Newton, chairman of N & P, said Mr Thompson-McCauley had left "by mutual consent".

Personal references to Lawson edited

Book sheds light on Walters's views

By RODNEY LORD, ECONOMICS EDITOR

SIR Alan Walters, in his book *Sterling in Danger*, originally entitled the chapter on exchange rate policy in the Eighties "The economic consequences of Mr Lawson". This and a number of other references of a personal nature to Mr Lawson were excised in the course of the cabinet office's scrutiny of the book.

Firms reject ASC plans to reform goodwill rule

By GRAHAM SEARJEANT, FINANCIAL EDITOR

COMPANIES have overwhelmingly rejected accounting reforms on the treatment of intangible assets, which would force them to capitalise brand names and other goodwill arising from takeovers and write them off year-by-year against profits.

After the final meeting of the Accounting Standards Committee, which issued the proposals, Michael Renshaw, its chairman, said the response was so powerful and the vote against amortization so strong that anyone would have to think hard before making it standard.

"There has to be a measure of agreement," he said. The issue, which now passes to the Accounting Standards Board, the ASC's more widely drawn successor, will not go away. Mr Renshaw said that although there was disagreement about writing off goodwill, there was a tendency to agree that the usual practice of eliminating acquisition goodwill by charging it straight to reserves could not continue.

An analysis of 53 responses to the ASC exposure draft showed little support for the goodwill proposals, although they are common practice abroad. Most support came from professional and academic accountants.

Many of the companies wanted to capitalise goodwill, but not necessarily treat it as a wasting asset that had to be amortized. Several leading companies have included ac-

quired brand names as permanent assets in their balance sheet. Mr Renshaw suggested that several big takeover bids for companies with few tangible assets might not have taken place if the ASC proposals had been in force.

There was also a sign in the tail of the ASC's final authoritative statement of standard accounting practice, approved and issued by the parent accountancy bodies, on an apparently innocuous revision of the 1974 standard on government grants.

On counsel's opinion, the revised standard says registered companies cannot deduct government grants from the value of an asset, even though it would give a true and fair view, because it is illegal under the Companies Act 1985. About half the companies involved have been using this simpler method and have theoretically been operating illegally.

"This will cause some aggravation and complaints, but it is not our fault," he said.

Further proposals to standardise accounting for quoted securities, which had secured general agreement, also appear to be illegal unless changes are made to the Companies Act 1989, which put European Community directives into law.

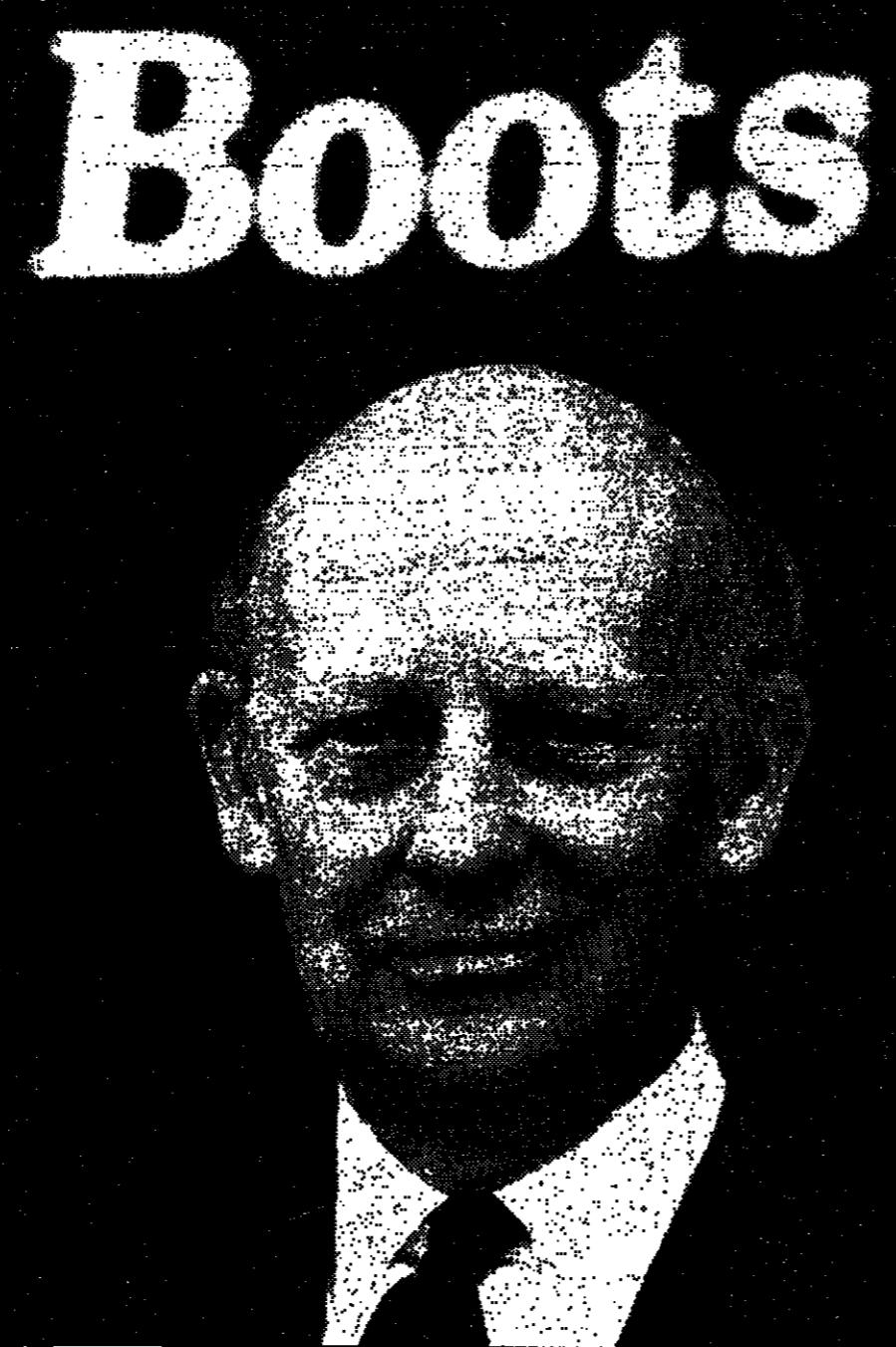
Mr Renshaw said this was an example of how the legal framework could impinge on professional standards of financial reporting. He predicted that, under the influence of continental traditions of statutory control, those setting accounting standards in future would find themselves increasingly impeded by the law.

The ASC has changed the face of British financial reporting, mostly in non-controversial ways. You only have to look at the accounts of big companies before 1969 to see how different they are," said Mr Renshaw. "There has been a material advance in the art and understanding of financial reporting."

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Group opposes £4m contract claim

ADRIAN BROOKS



Robert Gunn at yesterday's annual meeting of Boots, his last as chairman

Boots ready for fight

By GILLIAN BOWDITCH

ROBERT GUNN, the outgoing chairman of Boots, told the company's annual meeting yesterday that the group would be prepared to fight the ex-chairman of Ward White, Philip Birch, in court over his £4.7 million claim for breach of contract.

Mr Birch started a High Court suit against Boots a month ago, nearly a year after Boots acquired Ward White in a hostile £900 million takeover bid.

Mr Gunn told shareholders that Mr Birch had already received a £900,000 lump sum

from the pension fund and was being paid an annual pension of £350,000.

Mr Gunn said: "Philip Birch has a five-year contract and he did leave the company at our request after we acquired it. He is entitled to some compensation. The disagreement between us is over how much he is entitled to. There is a rather large gap between what we think the value of the contract is and what he thinks it is."

Boots is still negotiating with Mr Birch and believes that a satisfactory solution can be found, but Mr Gunn said, was prepared to fight in court.

Shareholders were told that Boots the Chemist had increased sales by nearly 6 per cent in the first quarter of the current year and was increasing margins. Sales in the pharmaceuticals division are up more than 6 per cent, and Mr Gunn said that the group's confidence in its new drug for congestive heart failure, Manopax, was fully restored. The shares rose 3p to 296p.

Sir Christopher Benson becomes non-executive chairman of Boots today.

Ford and GM drop in second quarter

THE two leading American car producers, Ford and General Motors, suffered sharp drops in second-quarter profits amid a flat American market and heavy spending on sales incentives.

Ford profits fell 45 per cent to \$771 million on sales up \$982 million to \$26.9 billion while General Motors fell 38 per cent to \$900 million on sales up to \$33.9 billion.

In Europe, General Motors increased its market share from 10.9 to 11.3 per cent. British sales fell slightly to 177,000 vehicles but it increased its market share from 15.1 to 16.6 per cent.

Ford's share of the European market fell slightly to 11.8 per cent and British vehicle sales dropped from 154,383 to 141,339 vehicles.

Dyson up 11%

Pre-tax profits at J&D Dyson, the Sheffield bricklayer, climbed 11 per cent to £2.5 million in the year to end-March on turnover of £50.8 million (£50.2 million). Earnings per share are 13.4p (13.0p) and the final dividend is held at 3p, making an unchanged 5p for the year. The sale of fixed assets meant an extraordinary profit of £1.15 million before tax.

Cabra delay

Cabra Estates is to delay announcing its preliminary results for the 15 months to end-March until the outcome of enquiries into its plans for two London football grounds are known. It expects to learn the result of its bid to redevelop Stamford Bridge, home of Chelsea, and of the enquiry into the Fulham ground at Craven Cottage, where the local council is attempting to buy the property by compulsory purchase, next month. Cabra will be announcing the figures during the week starting August 13 and says it will be bound by that date.

Property plunge

Shares in Southend Property Holdings, the property investor and developer, fell 6p to 104p on pre-tax profits down from £17.5 million to £6.4 million in the year to end-March. The final dividend payment rises by 0.25p to 2.25p, making a total 3.45p (3p) for the year. Interest payable rose from £11.4 million to £15.1 million, while gross profit was £4.9 million lower at £23.4 million.

Jacques Vert at £4.6m in tough times



Harsh climate: Alan Green and Jack Cynamon, joint managing directors of Jacques Vert, the fashion retailer

Unilock agrees bid by Yule

By NEIL BENNETT

YULE Catto, the speciality chemicals and building products group, has emerged as the buyer for Unilock, the office partitions manufacturer that put itself up for sale last month.

An agreed cash or loan notes offer of 106p a share, or £4.6 million, is being made. The offer is 72 per cent higher than Unilock's share price before it announced at its preliminary results that it was looking for a buyer. Shareholders also qualify for Unilock's final 2.6p dividend.

Unilock's directors and

family shareholders have accepted the bid and pledged 31 per cent of the shares.

The company decided to look for bidders after the founding family shareholders announced they had put their 30.3 per cent stake up for sale.

In the year to end-March

Unilock had pre-tax profits of £3.31 million on sales of £33.8 million.

The deal should speed Yule's European expansion. It already has subsidiaries in Holland and Germany. It is funding the bid from its overdraft which will leave it with debts of £40 million.

The deal should speed Yule's European expansion. It already has subsidiaries in Holland and Germany. It is funding the bid from its overdraft which will leave it with debts of £40 million.

Earnings were unchanged at 11.2p a share.

Norsk Hydro profits fall on low oil prices

Receivers appointed at Headland Group

By JONATHAN PRYNN

LOWER prices for oil and aluminium in the second quarter reduced net income at Norsk Hydro, Norway's largest industrial group, to Nkr1.27 billion (£112.5 million) from Nkr1.70 billion during the first six months.

Earnings fell from Nkr8.30 a share to Nkr6.20. Net income rose from Nkr451 million to Nkr459 million in the second quarter but did not offset lower earnings for the first three months.

Earnings were unchanged at Nkr2.20 a share.

HEADLAND Group, the USM quoted computer services company, has appointed KPMG Peat Marwick McLintock as administrative receivers following a breakdown in negotiations with shareholders about a possible refinancing.

The shares, which have underperformed the market by 70 per cent over the past three months, were suspended at 9p yesterday morning, at the company's request.

In May the company gave a £1.06 million.

Bond unfit to run television station, says court

Canberra

ALAN Bond, the Australian entrepreneur who is fighting to prevent the disintegration of his ailing empire, was yesterday judged unfit to hold a licence to run a television station (AFP reports).

The ruling in the High Court came amid reports that Mr Bond's American creditors are close to agreeing a reprieve for his cash-strapped flagship, Bond Corporation Holdings.

The court upheld an appeal by the Australian Broadcasting Tribunal that Mr Bond and his subsidiary companies were not fit or proper to hold a television licence. Analysts

said Mr Bond, who lost control of his Channel Nine television stations to Kerry Packer, the Sydney billionaire, this month, could now be forced to sell his remaining shares in the national network.

Mr Bond recently offered to step down as chairman of Bond Corp, which is saddled with billions of dollars of debt.

The tribunal appealed to the High Court after the Federal Court set aside its original decision on Mr Bond's fitness to hold broadcasting licences.

The case was related to a

AUS\$400,000 (£177,300) defamation payment made by Mr Bond to the

US holders of Bond Brewing Holdings debentures reportedly made the eleventh-hour offer after earlier rejecting an "all-or-nothing" offer by BBH to buy back the debentures at a discount of 50 US cents in the dollar.

The fate of the brewery deal now appears to lie in the hands of BBH's bankers which have to provide the additional funding for the buy-back under the compromise plan.

The banks and Bell Resources, which has contracted to buy the breweries, had earlier agreed on a AUS\$340 million facility to fund the buy-back.

It is understood the US debenture

holders have indicated that they will agree to a discounted buy-back at a higher price which is thought to be 70 US cents in the dollar after adding on interest payments owing on the debentures.

Bond: ordered to pay costs

BUSINESS ROUNDUP

Home-loan demand 'starting to pick up'

THE slump in the demand for mortgages may have bottomed out, according to figures from the Committee of London and Scottish Bankers. These show that gross home loans from banks rose to £2.27 billion in the second quarter of this year, from a low point of £1.95 billion between January and March. The average value of approved mortgages rose 4 per cent to £39,300.

However, the number of loans fell, hitting a low of 34,000, against a peak of 80,100 in the third quarter of 1988. First-time buyers are taking out almost half of all mortgages, up from 43 per cent last year. The figures support building society evidence that mortgage demand may be picking up.

Sidney Banks up to £2.16m

SIDNEY Banks, the grain and agricultural merchant, increased pre-tax profits for the year to end-April from £1.81 million to £2.16 million. Sales rose from £1.32 million to £1.44 million and earnings per share from 16.9p to 20.1p. The final dividend is 5.5p, making 8p for the year. The group is confident of a "successful outcome" to the year.

She said: "At one moment, I thought what he had done was extremely sophisticated. But then it seemed to drop to unbelievable levels."

Bloom, aged 20, sent a press release to the Stock Exchange screen information service, Topic, claiming that his fictitious company, Golden Credit, was putting up £95 million for a computer services company, MBS Group, the court was told. However, Topic staff became suspicious and blocked the announcement.

Christopher Drew, for the prosecution, said that Bloom, who had owned several companies, may have pulled the stunt to boost his image.

Mr Drew said: "His motive may have been self-aggrandisement or it may have been for financial gain."

Bloom, aged 20, denied making reckless and false statements contrary to section 47 of the 1986 Financial Services Act, in what is thought to be the first case under the section, and also denied eight charges under the Companies Act, but was found guilty on all counts.

The announcement would have sent the stock market into frenzy if it had got on to exchange screens, the court was told by David MacNamara, a market maker. People with pensions and big institutions would have suffered when the shares after swinging up, fell hard.

Bloom, of Pangbourne Drive, Stanmore, Middlesex, told the court that he had no intention of altering the price of MBS shares.

He thought his cousin would put up the £95 million, and he had cancelled the press release when he realised that he would not get the money.

Ryan Hotels advances

RYAN Hotels, the Dublin-based hotel group, increased pre-tax profits from £3.62 million (£3.31 million) in the six months to end-April. Turnover rose to £18.25 million from £17.78 million. Earnings per share fell from 19.5p to 16.3p, although the interim dividend is maintained at 1.5p. The shares rose by 0.5p to 65p.

Platinum recovers

PLATINUM, the pens, furniture and houseware group, reported a pre-tax profit of £200,000 in the year to end-March, against a loss last time of £2.94 million. During the year, the company discontinued unprofitable product ranges, mainly in the houseware division. This was reflected by a fall in turnover from £28.3 million to £22.6 million, 30 per cent of which is derived from the manufacture and distribution of consumer goods. Eps stood at 0.12p, against a 2.75p loss.

Robert Campbell, who recently joined as chief executive, said that borrowings had been reduced to £2.6 million from £5 million at end-March 1989. Gearing is about 65 per cent.

Cookson sells JM stake for £38m

By COLIN CAMPBELL

COOKSON Group, which had built up a 7.91 per cent stake in Johnson Matthey since 1988, yesterday sold its entire 14.08 million holding at 270p a share, realising £38 million, to Credit Suisse First Boston UK.

The sale renewes the investment debate of who owns what among the platinum miners, and had held talks about a possible purchase.

Cookson had always regarded its JM holding as a "strategic investment", but said yesterday it thought the time was ripe to sell.

Michael Henderson, the Cookson chairman, said the company originally paid £32.2 million for a 6.3 per cent stake in JM in July 1988. Cookson later spent a further £10 million. It was Cookson's original belief that Minocro would win its takeover bid for Consolidated Gold Fields, and would then move onto

Charter and tidy up JM. Charter currently owns 38.8 per cent of JM.

Cookson's original 6.3 per cent stake was equivalent to 10 per cent of the non-Charter Consolidated interest in JM.

Cookson admitted that it had been interested in JM's colours and printing division, and had held talks about a possible purchase.

"We have now exhausted all possible avenues for talks," Mr Henderson said yesterday, "and we wanted to act as quickly as such by the quality of the argument, which we thought would be poor and which would send the stock market lower."

Cookson effectively comes out of JM showing only a marginal loss. It retains the 6.3 per cent stake, which it has recently declared by JM, and achieves tax savings through indexation for capital gains purposes. JM shares fell 1p to 279p. Cookson shares held steady at 190p.

Betacom confirms losses

By PHILIP PANGALOS

BETACOM, the telephone distributor, yesterday confirmed that the results for the first half, due to be announced on September 9,

Many a chief executive has been wondering whether his board that, given the outlook for profits and the high cost of finance, dividends should be pegged, or even cut. Imperial Chemical Industries has given them all a lead by restricting its interim dividend to last year's level, an effective reduction given inflation at nearly 10 per cent. When ICI last cut its dividend, it started a flood of similar reductions and the same thing could happen this time. What is good for ICI, after all, is fine for lesser enterprises.

ICI felt it had little choice. By now, the European heavy chemicals business should have seen the bottom of the cycle, and be feeling the first gentle slopes of the upturn. But industry is still looking for the nadir. In the unminced words of Sir Denis Henderson, in the heavy chemical industry, "growth has slowed, prices are declining and costs are generally rising". It is, he said, tough out there. While we have been here before, many times, the half yearly results demonstrate that the cyclical

nature of the industry gets no better.

Profits in general chemicals are halved, in petrochemicals and plastics they have fallen by two thirds, and in fertilisers they have virtually disappeared. The figures also make the point that while ICI would be in a pretty poor state had it not driven its business upmarket and upmargin in effect chemicals, it is still not moving fast enough to keep the total moving when the old basic business is in trouble.

ICI is no longer the bellwether of British industry, but it still has the capacity to shake the market and change the tone. What shook the market yesterday is that profits in the second quarter were significantly worse than those of the first quarter, and even those followers who have argued for a rerating were wondering if they should begin eating their words. The company might be dashing up the escalator, but the stairs are still moving down.

ICI opens door to dividend cuts

COMMENT

DAVID BREWERTON

The disposal of the fertiliser business will bring in a limited amount of cash, but it will remove a raft of profitless activity and allow management and resources to be concentrated on the lighter end of the industry.

The surprise is that ICI soldiered on with a cause which Fisons considered lost a decade ago. ICI profits will be down for the full year, and analysts were sharpening their red pencils to cut forecasts to around the £1.2 billion level for the full year. Even at that level, confidence was more a matter of whistling in the dark than conviction.

Given the state of profits and the job losses associated with the withdrawal from fertiliser manufacturer, ICI is beyond criticism

for its dividend decision. And even on a maintained final payment, which is the best and most likely outcome of the year, the shares yield a comforting 7 per cent.

The company chose a fine day to announce the sale of what remains of the country's fertiliser industry to the Finnish state-owned company, Kemira.

Scarcely has the ink dried on ICI's press release when Peter Lilley, our brand new trade secretary, penned a Commons written answer to the effect that he would be looking closely at takeovers by companies having

elements of state control, where such control could distort the workings of normal competitive market forces. Mr Lilley,

however, had fertilisers less in mind than banks and insurance when he took his bulldozer to try to level the playing field.

Goodwill?

Goodwill is a term appropriate to Michael Renshaw, the patient and fatherly

Peat partner who was present at

the first meeting of the Accounting Standards Committee when it was set up by the accountancy institutes in 1969 and has now chaired its last. Yet his committee's recent proposals on goodwill in balance sheets have caused vitriolic controversy.

The heat generated is unmatched since the long battle over inflation accounting which gave the committee more headlines than anything else during its 20 year life, most of them hostile. Despite this monumental diversion, the 22

surviving and usually uncontroversial accounting standards it developed, as well as much other work, have transformed the quality and comparability of big companies' accounts from the bad old days.

The successor full-time Accounting Standards Board is aimed at resolving potential conflict between professionals, companies and other users by bringing them all into the standard-setting process. That will classically involve a rethink on goodwill.

Mr Renshaw has already seen the smoke from a much greater battle ahead. The development of the single European market has accelerated the inevitable collision between the flexible Anglo-Saxon system and the continental system, which focuses on detailed protective legislation and encourages conservative rather than realistic accounting. The accounting profession is much more highly developed and dynamic in Britain, along with the United States, than in most continental countries. Its ability to move with the times is under threat.

Cash cure is needed for transport thrombosis



than as its project. BR made an unprecedented hash of developing it into 1989 and then Trafalgar House/Balfour Beatty showed a lamentable form in an uneasy partnership with BR to launch it in 1990.

Had the government said in October 1988 — "a hybrid bill to sort out road and rail connections between the north and west sides of London, Dover and the tunnel will be presented to Parliament in November 1990, with financing sorted out by April 1991", the link could have been on schedule to open in 1990/7 — probably three years after it is needed. Privatisation was the tail on the dog, to be sorted out in reviews of BR's future — but to replace that public spend on them, but to replace that public

The limitations in vision might still have been overcome by the evident political support generated by that growing fear of being marginalised — but for the Treasury. It may boggle most minds that the tangible fear of the 1990/91 expenditure round would dictate avoidance of capital investment from 1992/3 to enhance taxation

revenues in the later nineties — but it did. It may boggle as many minds that Treasury expenditure planning refuses to distinguish between productive capital, maintenance capital (for the fabric of public services) and current spending (salaries of civil servants etc) except in that investment projects are easier to cut, by stopping them — but it's true.

Against that background, how could Cecil Parkinson wheeze a few hundred million pounds of 1991-4 money for the A1 improvements, but not for the link?

The answer is again mind-boggling — the Treasury. The government has not absorbed the evidence that it is not possible in the 1990s to make sense of transportation in northwest Europe, including the British Isles, unless investment in air (traffic control and runways), road and rail are examined as alternatives. You should do one or other, according to circumstances.

Their costs and revenues will be different, but rail, road and air offer alternative solutions to such problems, for example, as landed in ministerial laps again last week from the Civil Aviation Authority — "we need another runway in the Southeast". They must be evaluated on the same criteria.

How does the Treasury see this? Quite differently: it considers roads are already paid for, old boy, so the criteria are different. This piece of intellectual dishonesty ignores the fact that hypothecation of Road Fund licence revenues ended in the 1920s — and adding in the petrol tax is like saying that tobacco taxation is building smoking saloons.

In order for a road to be built, the Treasury wants it to seem like a good idea after some private socio/politico/economic analysis, but a new rail line must earn a cash return. Just look at the result in Docklands: an inadequate light railway, justified after downsizing by over-conservative cash revenue forecasts will parallel a toll-free Limehouse road tunnel. The most expensive piece of road in Britain is being built "because it seems like a good idea".

Mountleigh has been promised some £335 million of financing by the banks who have already made fortunes from backing the two Americans' skill in restructuring trading companies. And the cash is already earmarked for pan-European acquisitions, something with strong brands, tangible assets and powerful stock market possibilities.

Only someone with an impressive track record could have won agreement to embark on such a plan while so much of the dead wood remains to be cleared out.

However, all Mountleigh's

cards have been laid on the table. Britain has been written down by £56.1 million, to around £550 million, while provisions of £19.8 million have been charged against the cost of McKinsey-inspired plan for Galerias Preciosas, the Spanish retailer.

The two exceptions more than accounted for operating profits of just £60.3 million, and with interest soaking up a further £31.2 million, tax taking £8.1 million and extraordinary losses such as the loss on the

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Losses deepen at Owners Abroad after rise in costs

By MARTIN BARROW

OWNERS Abroad, the tour operator and airline seat broker, incurred pre-tax losses of £10.4 million in the six months to end-April, against losses of £7.8 million last time. Turnover rose 43 per cent to £81.6 million.

However, because of the seasonal nature of the travel business, the period under review accounts for just 25 per cent of the total number of passengers likely to be carried in the full year.

Overheads, though, are spread evenly throughout the year and the heavier losses reflect the company's expanded operations. In March, Owners Abroad acquired Redwing Holidays, which was 50 per cent owned by British Airways, for £5.4 million.

The pre-tax figure was struck after an exceptional charge of £63,000 in respect of the write-off of aircraft introductory costs. There was a loss of 12.01p (9.09p) a share. The interim dividend has been increased 17 per cent to 8.25p.

Howard Klein, chairman, said winter bookings rose 35 per cent to 258,000, a record, despite a 15 per cent drop in overall demand for package



Klein: record bookings

holidays during the period. Air 2000, the company's charter airline, operated four aircraft, compared with two last year, leasing five others to foreign airlines.

The financial services division, specialising in school fee planning, earned profits of £116,000, against losses of £18,000, on turnover up 200 per cent to £54,000.

Summer bookings are currently 20 per cent above last year's levels, with a higher proportion of holidays being sold at full brochure price. The Air 2000 fleet, now numbering 10 after the purchase of a Boeing 737, has sold its entire capacity for the summer.

Warning on profits at Cooper

By OUR CITY STAFF

FREDERICK Cooper, the Midlands-based mini-competitor, has given a warning of lower profits in the year to July 31, and announced two acquisitions (Jonathan Prynne writes).

The company forecast year-end pre-tax profits of £4.6 million, a 47 per cent drop on last year's £8.7 million. It plans to recommend a 2.5p final dividend, making 4p for the year (3.85p), 4 per cent rise.

The company is paying £6.6 million for Group Sales, Britain's second largest independent distributor of fittings to the uPVC door and window industry, and £3.8 million for Beaver Architectural Ironmongery, a distributor of architectural ironmongery to the commercial sector.

The acquisitions are being financed through the issue of 13.6 million new shares at 81p.

The new shares, which are being placed by Charterhouse Bank, will be subject to a clawback from existing shareholders.

Hong Kong lifted by Tokyo cash

From LULU YU
IN HONG KONG

JAPANESE investments, signalling confidence in Hong Kong, are pulling the colony out of a gloomy first half notable for the economy's lacklustre performance.

Heavy amounts of money are going to the retail and property sectors, in turn boosting the stock market with the active share trading.

Tokyo investors are targeting residential blocks, department stores and blue-chip stocks, including significant stakes in the Hongkong & Shanghai Banking Corp.

Although there are no up-to-date figures on the amount of Japanese investments, it is clear they have the biggest presence. Figures from Tokyo show that in the 1988-9 fiscal year the Japanese invested HK\$14 billion (£1 billion), with about 1,300 companies doing business in the colony, including 55 banks and 33 securities firms.

Analysts say the trend is expected to continue, with more diverse businesses encouraged to follow the big corporations.

The FT-SE 100 index also saw a 5-point lead whittled away and this, combined with another dull start to trading on Wall Street, saw it finish 20.6 lower at 2,344.1. The FT index of 30 shares fell 14.2 to 1,851.5.

Government securities benefited from a firmer performance by the pound to close with gains of 54 at the longer end.

Cookson Group held steady at 190p after deciding to sell

7.69 per cent holding in former VPI director Donald Carter for stealing money from clients. VPI shares shed 4p at 145p.

Thorn EMI remained a nervous market, easing 10p at 708p ahead of today's annual meeting. Market-makers have been clearing their books of surplus stock just in case the full bid.

Tate & Lyle fell 3p to 289p, hit by profit downgrades from BZW and Smith New Court. Smith has cut this year's forecast by 26 million to £214 million and for 1991 by £3 million to £233 million. It blames a second-half slowdown at Staley, the North American sweetener business, after a heavy investment programme. Staley contributed 40 per cent of T&L's trading profits last year.

Pearson, whose interests stretch from Madame Tussauds to Lazards merchant bank, Royal Doulton, the Financial Times and Penguin publishing, fell 6p to 745p after a downgrading of its profits by Kleinwort Benson, the broker. Brownlow Maddox, analyst, has reduced her pre-tax profits forecast for this year from £285 million to £268 million.

VPI International, the public relations group, has agreed to pay New York State \$1

million to settle matters connected with the conviction of former VPI director Donald Carter for stealing money from clients. VPI shares shed 4p at 145p.

Shares of Headland, the USM-quoted computer software group, were suspended at 9p pending clarification of the company's financial position. In May the group laid off 90 staff — a quarter of its workforce — and forecast significant losses.

Shares of Unilever, the office products supplier, jumped 22p to 105p after receiving an agreed £24.6 million bid from Yule Catio, the specialist chemicals and building equipment group. Yule Catio is offering 106p in cash and has already received acceptances totalling 30 per cent.

Lev, the freight forwarding and storage group, held steady at 192p despite the news that Michael Ascroft's ADT had picked up an extra 1.63 million shares taking its total holding to 14.15 per cent. ADT also owns 41.1 million shares, or 8.2 per cent, in BAA Group, which operates Gatwick and Heathrow airports. BAA eased 2p to 46.5p. Rentiers fell 11p to £10.52 after this week's disappointing figures and the warning that cancellations for the group's information system had increased. But sales of its Dealining 2000 system were still doing well and the group had, to date, sold 2,800 key stations.

Michael Clark

company decides to issue a profits warning.

Water shares continued to attract selective support ahead of the second call of 70p due on Tuesday. Rises were seen in Anglian, up 2p to 23p, Northumbrian 4p to 24p, North West 5p to 23.6p, Severn Trent 5p to 22p, Southern 3p to 21p, South West 2p to 24p, Thames 2p to 23.4p, Welsh 5p to 25.2p, and Yorkshire 3p to 24.4p. Only Wessex was unchanged at 22.7p.

Source: Michael Clark

Y8 billion. Private and corporate clients were involved. It is no secret in Japan that securities firms look after their top customers, who regard it as unfair and rather awkward when share prices fall. Daiwa was found last autumn to have paid Y1.3 billion in compensation to clients for share dealing losses in the late 1970s and early 1980s. But news of the penalties raised confidence in the stock market yesterday, helping to slice another 33.15 points off the Nikkei index, which closed at 31,369.7.

The tax office is planning to ask the more than ten companies involved, including Daiwa Securities and Yamaichi Securities, to pay about Y7 billion-Y8 billion in back tax on the deal. Yamaichi, one of Japan's biggest brokers, was found to be the biggest compensator, indemnifying customers for losses of more than

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The finance ministry is expected to launch an investigation to establish whether indemnifying clients in this way violates Japan's securities and exchange law. Article 50 of this law bars brokers from offering guarantees against possible losses in share or other financial dealings.

The compensation was apparently disguised in the stockbrokers' books as losses on transactions in high-yield securities, such as warrants and convertible bonds. These were sold privately below their market prices and repurchased later at higher prices.

All the companies accused of wrongdoing say they have never dealt in such transactions and say the money paid to their clients was for "entertainment" and other expenses. A spokesman for Yamaichi said it came down to a difference of opinion as to how to treat the money. "We have two different views. We gave the tax bureau our explanation and believed that the agency was fully satisfied with our explanation."

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Portfolio

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From your Portfolio Platinum card check your eight share price movements on this page. Add them up to get your overall total and check this against the daily dividend figure. If it matches you have won outright or a share of the daily prize money stated. If you win, follow the procedure on the back of your card. Always keep your card available for claiming. Game rules appear on the back of your card.

STOCK EXCHANGE PRICES

ICI leads way down

ACCOUNT DAYS: Dealings began July 23. Dealings end August 3. Contango day August 6. Settlement day August 13. Forward bargains are permitted on two previous business days.

Prices recorded are at market close. Changes are calculated on the previous day's close, but adjustments are made when a stock is ex-dividend. Where one price is quoted, it is a middle price. Changes, yields and price earnings ratios are based on middle prices. (as) denotes Alpha Stocks. (VOLUMES PAGE 26)

No.	Company	Group	Gains or losses
1	Honeywell	Paper, Print, Advt	
2	VSEL	Industrials S-Z	
3	Herrings Son	Property	
4	Rolls-Royce (as)	Motors, Aircraft	
5	Greens Cross	Paper, Print, Advt	
6	Barratt Devs	Building, Roads	
7	BPP	Newspapers, Pub	
8	Foster (John)	Textiles	
9	Anglova Water	Water	
10	ECT Group (as)	Industrials E-K	
11	Scot & Nett (as)	Breweries	
12	Home Comics	Newspapers, Pub	
13	Hawker Siddeley (as)	Industrials E-K	
14	Stockhouse (as)	Drapers, Stores	
15	Sinclair	Electricals	
16	South West	Water	
17	Low (Wm)	Foods	
18	Boots (as)	Industrials A-D	
19	Chamberlin & Hill	Industrials A-D	
20	Bellwiche	Building, Roads	
21	Baggeridge Brick	Building, Roads	
22	RMC Gp (as)	Building, Roads	
23	Tunstall	Electricals	
24	Multidone Electr	Electricals	
25	Tomkins	Industrials S-Z	
26	Grenada (as)	Industrials E-K	
27	Rechem	Industrials L-R	
28	Macarthy	Industrials L-R	
29	Hickson	Chemicals, Plas	
30	Edfern	Industrials E-K	
31	Cap & Counties	Property	
32	Friendly Hotels	Hotels, Cafeterias	
33	Scot TV	Leisure	
34	Bowes	Electricals	
35	Wimpey G (as)	Building, Roads	
36	Speckwicks	Property	
37	Extrastone Warrant	Transport	
38	Nobo Gp	Industrials L-R	
39	North West	Water	
40	Ferguson Ind	Paper, Print, Advt	
41	Century	Oil/Gas	
42	Sihra Water	Water	
43	© Times Newspapers Ltd.	Daily Total	

Please take into account any minus signs

Weekly Dividend

Please make a note of your daily totals for the weekly dividend of £4,000 in tomorrow's newspaper.

MON	TUE	WED	THU	FRI	SAT	SUNDAY

There were no valid claims for the Portfolio Platinum prize yesterday. The £4,000 will be added to today's competition.

BRITISH FUNDS

No.	Stock	High	Low	Price	Change	Yield	Group

SHORTS (Under Five Years)

97%	Each	21	1990	92	80	4.87	10,057
98%	Each	10	1988	93	81	10.50	
99%	Each	10	1988	93	81	10.50	
100%	Each	10	1988	93	81	10.50	
101%	Each	10	1988	93	81	10.50	
102%	Each	10	1988	93	81	10.50	
103%	Each	10	1988	93	81	10.50	
104%	Each	10	1988	93	81	10.50	
105%	Each	10	1988	93	81	10.50	
106%	Each	10	1988	93	81	10.50	
107%	Each	10	1988	93	81	10.50	
108%	Each	10	1988	93	81	10.50	
109%	Each	10	1988	93	81	10.50	
110%	Each	10	1988	93	81	10.50	
111%	Each	10	1988	93	81	10.50	
112%	Each	10	1988	93	81	10.50	
113%	Each	10	1988	93	81	10.50	
114%	Each	10	1988	93	81	10.50	
115%	Each	10	1988	93	81	10.50	
116%	Each	10	1988	93	81	10.50	
117%	Each	10	1988	93	81	10.50	
118%	Each	10	1988	93	81	10.50	
119%	Each	10	1988	93	81	10.50	
120%	Each	10	1988	93	81	10.50	
121%	Each	10	1988	93	81	10.50	
122%	Each	10	1988	93	81	10.50	
123%	Each	10	1988	93	81	10.50	
124%	Each	10	1988	93	81	10.50	
125%	Each	10	1988	93	81	10.50	
126%	Each	10	1988	93	81	10.50	
127%	Each	10	1988	93	81	10.50	
128%	Each	10	1988	93	81	10.50	
129%	Each	10	1988	93	81	10.50	
130%	Each	10	1988	93	81	10.50	
131%	Each	10	1988	93	81	10.50	
132%	Each	10	1988	93	81	10.50	
133%	Each	10	1988	93	81	10.50	
134%	Each	10	1988	93	81	10.50	
135%	Each	10	1988	93	81	10.50	
136%	Each	10	1988	93	81	10.50	
137%	Each	10	1988	93	81	10.50	
138%	Each	10	1988	93	81	10.50	
139%	Each	10	1988	93	81	10.50	
140%	Each	10	1988	93	81	10.50	
141%	Each	10	1988	93	81	10.50	
142%	Each	10	1988	93	81	10.50	
143%	Each	10	1988	93	81	10.50	
144%	Each	10	1988	93	81	10.50	
145%	Each	10	1988	93	81	10.50	
146%	Each	10	1988	93	81	10.50	
147%	Each	10	1988	93	81	10.50	
148%	Each	10	1988	93	81	10.50	
149%	Each	10	1988	93	81	10.50	
150%	Each	10	1988	93	81	10.50	
151%	Each	10	1988	93	81	10.50	
152%	Each	10	1988	93	81	10.50	
153%	Each	10	1988	93	81	10.50	
154%	Each	10	1988	93	81	10.50	
155%	Each	10	1988	93	81	10.50	
156%	Each	10	1988	93	81	10.50	
157%	Each	10	1988	93	81	10.50	
158%	Each	10	1988	93	81	10.50	
159%	Each	10	1988	93	81	10.50	
160%	Each	10	1988	93	81	10.50	
161%	Each	10	1988	93	81	10.50	
162%	Each	10	1988	93	81	10.50	
163%	Each	10	1988	93	81	10.50	
164%	Each	10	1988	93	81	10.50	
165%	Each	10	1988	93	81	10.50	
166%	Each	10	1988	93	81	10.50	
167%	Each	10	1988	93	81	10.50	
168%	Each	10	1988	93	81	10.50	
169%	Each	10	1988	93	81	10.50	
170%	Each	10</					

Council not liable for economic loss from defective house

Murphy v Brentwood District Council

Before Lord Mackay of Clashfern, Lord Chancellor, Lord Keith of Kinkel, Lord Bridge of Harwich, Lord Brandon of Oakbrook, Lord Ackner, Lord Oliver of Aylmerton and Lord Jauncey of Tullichettle [Speeches July 26]

Jones v Merton London Borough Council (1978) (AC 728) had been wrongly decided and should be departed from. **Dutton v Bognor Regis Urban District Council** (1971) 1 QB 373) should be overruled, as should all cases subsequent to *Anns* decided in reliance on it.

The House of Lords allowed an appeal by Brentwood District Council from the Court of Appeal (Lord Justice Fox, Lord Justice Ralph Gibson and Lord Justice Nicholls) (*The Times* December 27, 1989; [1990] 2 WLR 949) who had affirmed Judge Esry Lewis, QC, as official referee.

Mr Piers Ashworth, QC and Mr Adrian Brunner for the defendant council; Mr Jonathan Mayford, QC and Mr Andrew White for the plaintiff, Mr Thomas Murphy.

THE LORD CHANCELLOR agreed with Lord Keith and Lord Bridge. The decision in *Anns* had been taken after full consideration by a committee consisting of most eminent members of the House. In those circumstances, he would be slow to accede to the suggestion that the House should now depart from it.

However, the decision had been taken as a preliminary issue of law and the facts had not been examined in detail. When one attempted to apply the proposition established by the decision to detailed factual situations, difficulties arose; that had clearly been anticipated by Lord Wilberforce.

As had been demonstrated by Lord Keith and Lord Bridge, the result of applying the proposition, as qualified by Lord Wilberforce, to different factual circumstances was to require distinctions to be made that had no justification on any reasonable principle and could only be described as capricious. It could not be right to leave the law in that state.

LORD KEITH said that two houses on an estate had been

built over filled ground on a concrete raft foundation. The design, by Graham Rudkins Associates, had been submitted to the council for approval under the Public Health Act 1936.

The council had sought the advice of independent consulting engineers, Dr Mayers & Partners, who had advised that the design was appropriate to the conditions and could properly be approved. The council had accordingly approved it.

The plaintiff had bought one of the houses from the developers, ABC Homes, in 1970. From 1981, serious cracks had appeared in the internal walls, wet patches had appeared in the lawn and a gas pipe and a soil pipe had cracked.

The plaintiff had bought the house in 1988 for £30,000 to be demolished and the cost of the structural defects and had since occupied the house with his family without carrying out any remedial work.

The value of the house free from defect would have been £65,000. The plaintiff's insurers had paid him £35,000 in settlement of his claim for subsidence damage. The cost of remedial work would have been around £45,000.

In the proceedings, commenced in September 1983, the plaintiff had claimed, *inter alia*, damages of £35,000. The judge had found that the design of the concrete raft had been defective and unsuitable for the site; that the independent consulting engineers had been competent and that the council had been entitled to rely on their skill and experience; that the engineers had been negligent in approving the design of the raft as suitable for the site; that the damage to the house had occurred as a result of that defective design; that future settlement of the raft would occur, although it might be small, and that there was a risk that the main gas pipe might fracture; and that water pipes might also fracture causing water to leak into electrical fittings.

That, together with leakages of sewage into the foundations from the fractured soil pipe, constituted an imminent danger to the health and safety of occupants of the house.

In the light of those findings, the judge had held that the council was liable to the plaintiff in negligence under the principle

of *Anns*. He had further held that its duty to take reasonable care in considering the suitability of the design of the raft had not been discharged by obtaining and acting on the advice of competent engineers.

Both the judge and the Court of Appeal had proceeded on the basis that the plaintiff had a good cause of action by virtue of *Anns*. The diminution in value of his house formed part of the damages recoverable in law.

Before the House of Lords, it had been argued that the plaintiff had sought advice from the council and had been wrongly advised that the design was appropriate to the conditions and could properly be approved. The council had accordingly approved it.

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In the light of those findings, the judge had held that the council was liable to the plaintiff in negligence under the principle

of *Anns*. So far as policy considerations were concerned, extending the scope of the tort of negligence might well tend to inhibit carelessness and improve standards of manufacture and construction. On the other hand, overkill might present its own disadvantages.

Anns-type liability might tend to encourage owners of dangerous buildings to repair rather than risk the tort of injury. The consequence, however, as here, prefer to sell the building without putting those employees at risk.

It was clear that *Anns* had not proceeded on any basis of established principle but had introduced a new species of liability governed by a principle of indeterminacy in character but having the potentiality of covering a wide range of situations, involving claims as well as real property, which had not been thought to have the effect of imposing on buildings generally a liability for economic loss to owners of buildings.

On analysis, the nature of the duty held by *Anns* to be incumbent on the local authority had gone very much further than a duty to take reasonable care to prevent injury to safety or health. It was the question whether the remedy was available where the defect was not of a nature that the council had owed the plaintiff a duty to take reasonable care to safeguard him against the particular kind of damage that he had in fact suffered, which had not been injury to person or health nor damage to anything other than the defective house itself.

The jump there made from liability under the *Douglas v Stevenson* principle for damage to person or property caused by a latent defect in a carelessly manufactured article to liability for the cost of rectifying a defect that was *ex hypothesi* no longer latent was difficult to accept.

It was difficult to draw a distinction in principle between an article that was useless or valueless and one that suffered from a defect that would render it dangerous in use but that was discovered by the purchaser in time to avert any possibility of it.

The purchaser might incur expense in putting right the defect or, more probably, discard the article, in either case the loss was purely economic. It had now to be recognised that, although the damage in *Anns* had been characterised as physical damage by Lord Wilberforce, it had been purely economic.

That being so, the next point for examination was whether the avoidance of loss of that nature had fallen within the scope of any duty of care owed by the plaintiff (in *Anns*) to the local authority. On the basis of the law as it stood at the time of the decision, it was not clear whether the defendant would be liable to the plaintiff for the cost of repairing defective pillars

When single count appropriate

Regina v Gaughan

Where the prosecution case was that a defendant must have committed an offence either as a principal or as a counsellor/procurer, but could not say which, it was appropriate to lay a single count.

The Court of Appeal (Lord Justice Lloyd, Mr Justice McCullough and Mr Justice Phillips) so stated on July 16 when allowing an appeal by Sydney Reginald Gaughan against his conviction on February 29, 1989, on a charge of causing death by dangerous driving (count 1) and making a threat to kill (count 2), on which he was sentenced to a total of two years imprisonment, 18 months of which was suspended.

They were not obliged to charge the two different ways of participation in the offence in separate counts.

However, on other grounds the convictions could not stand and would be quashed.

Builders not liable in negligence for cost of repairing defective pillars

Department of the Environment v Thomas Bates and Son Ltd

Before Lord Keith of Kinkel, Lord Brandon of Oakbrook, Lord Ackner, Lord Oliver of Aylmerton and Lord Jauncey of Tullichettle [Speeches July 26]

The Department of the Environment underseeress of the upper nine storeys of a tower block, had no cause of action in negligence against the builders of the block in respect of the cost of repairing pillars that due to defective construction were insufficiently strong to support the weight of the building and accordingly had been strengthened.

By the present proceedings, the department sought, *inter alia*, payment of £10,000 in respect of the cost of strengthening the pillars. The cause of action was pleaded in negligence, it being alleged that the builders had owed them a duty to use reasonable skill and care in the construction of the complex. The builders denied any duty of care or breach of duty.

The building operations had taken place during 1970 and 1971. In 1971, the lessees had agreed to grant the department an underlease of parts of the complex, including parts of the two-storey building and the upper nine storeys of the tower block, for a term of 42 years.

The department had entered into occupation in December 1971. By the underlease, they had agreed to maintain the demised premises in good repair.

The judge had made a number of specific findings of fact, including:

"(4) At no time did the weakness of the concrete... give rise to imminent danger to health or safety of either [the department's] employees or of the public..."

"(5) There is no evidence that there was at any time cracking of the tower block occasioned by the weakness of the concrete."

"(6) The strengthening of the pillars... was not with the intention of averting imminent danger to health or safety..."

"(7) The purpose was to cure a defect which otherwise prevented [the department] from making full use of the building to the extent for which it was designed."

The department's expert had expressed the opinion that nine pillars were insufficiently strong to support the weight of the building and accordingly had been strengthened.

Racing success takes a new route

Cosworth, famous for its high-performance engines, is also making its mark in the saloon-car field. Tim Healy takes a rev count

Cosworth engines have powered cars through the chequered flags in most kinds of motor sport, including the glamorous Formula One. Yet the company has resisted the temptation to indulge in any kind of hype. Wild claims are not the style of these innovators of motor engineering.

Their skill has already benefited motorists. The company's main success, of course, has been the Cosworth-powered Sierra and Sapphire series of saloons made by Ford, which as a result has increased Cosworth turnover by 400 per cent and increased sales to almost £53 million a year, benefiting also the 700 engineers and other workers who are based in Northamptonshire and Worcestershire.

That healthy growth also made the company a takeover target and in April Vickers bought Cosworth for £163.5 million, which meant the prospect of developments with Vickers Rolls-Royce Motor Cars subsidiary. Richard Bulman, Cosworth's managing director, hints that there are "a couple of prospects", but for commercial reasons, he will not elaborate.

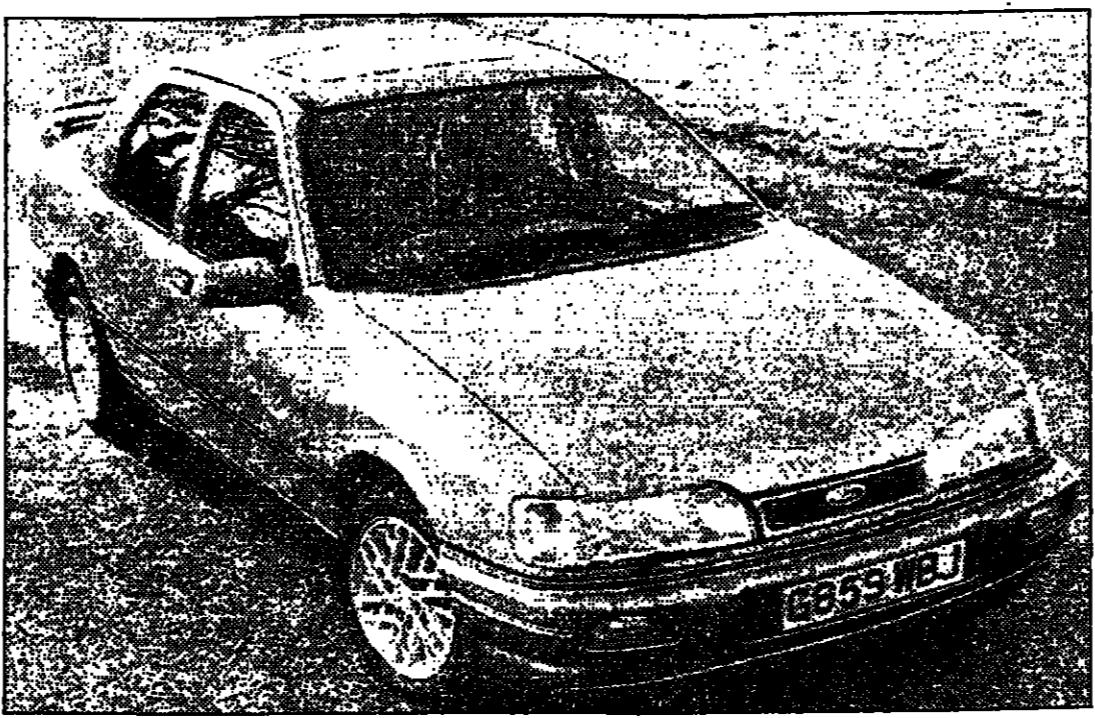
Since Ford bought the Cosworth concept of the high-performance family car in the mid-Eighties, the

marriage has earned Group A World Touring Car champion status for the Sierra Cosworth and a British Design Council Award in 1988 for the Cosworth Sapphire. Supplying 5,000 engines to Ford last year has meant that the Sapphire Cosworth will be able to raise its rallying profile still further.

Paul Fricker, Cosworth's executive engineer, who has overseen the development of the Sapphire Cosworth engine for the past six-and-a-half years, says his brief had been to provide an engine that could give dependable high performance at "a fraction of the £1,000,000" demanded by manufacturers of cars offering similar capabilities.

"Unfortunately," says Mr Fricker, "some Cosworth drivers treat the cars like ordinary Fords and run them dry. However, even if driven to the maximum, our engine uses half the oil of some other high-performance cars."

Although Ford is estimated to account for 70 per cent of Cosworth business these days, the complete package of engineering expertise and manufacturing it offers is in great demand at home and overseas. High on the list of manufacturers wanting to be in-



RS Cosworth-powered Sapphire 4x4: Providing engines for Ford has boosted Cosworth

volved with the best of British companies are the Japanese.

Mr Bulman comments: "Our success is due to our ability to design, develop and build a successful engine. Only one company is comparable and that is Yamaha. Other manufacturers have expertise, but they cannot match us."

Customers who have benefited from Cosworth's complete range of expertise include Mercedes-

Benz, Maserati, Jaguar and several continental manufacturers who choose to their relationship with the Northamptonshire firm secret.

Mr Bulman adds: "Our working relationships are exceptionally good with Ford because the company does not inhibit our working with other people."

With so much success on Cosworth's hands in road engine projects, the emphasis of the

enterprise has, not surprisingly, changed since the advent of the Sierra Cosworth. Until the mid-Eighties, racing accounted for 90 per cent of the business. Now, two-thirds of the company's activities are taken up by saloon-car engines, despite the simultaneous development of a new generation Formula One engine.

Mr Bulman explains: "The transformation has been made possible by the large pool of skills

we possess." That expertise, the legacy of the founders, Michael Costin and Keith Duckworth, is fostered by paying the right people above-market rates and giving them the opportunity to use their creative abilities.

Graduate recruitment at Cosworth is twice the average for the automotive industry. Paper qualifications, however, are not the only criterion the management team uses to select bright new talent. "An exciting CV counts more than most things," Mr Bulman says.

Despite Cosworth's high-performance image, the green debate has influenced company thinking. Executive waste waste and make watchwords of efficiency and durability.

"By nature, we are rather abstemious," says Mr Bulman, explaining why the company actually owns only one Sierra Cosworth. "You do not get high performance without high efficiency. If you put your foot down on the Sierra turbo, it will drink fuel away. But, if you drive carefully without the turbo, you get an extraordinary economy."

In the future, engines will be smaller but more efficient. Mr Bulman adds: "Already our engines are as horse-power-efficient as any on the market, and we are continually working on lean-burn technology. The internal combustion engine seems to have a long life yet."

ROADWISE

Bonus price for Fiesta

I The Fiesta Bonus is now the cheapest car in the range from Ford. The Bonus is equipped the same way as the current Popular car, but has a four-speed gearbox and 1-litre engine. At least 12,000 Bonuses will be on sale for £5,395, £236 lower than the Popular.

Drivers joining the Automobile Association using direct debit or credit card do not have to pay fees until October. Free phone 0800 919555 for details.

I The biggest collection of classic cars under one roof in the north of England is at the Northern Classic Car Show on August 26 and 27 at the G-Mex Centre, Manchester. More than 300 cars will be there, while there will also be auctions of all standards of models. Admission £24 adults; £23 pensioners and children under 14 free.

I Patrick McCoolan, the actor who is Number Six kept everyone by their television sets during the cult series *The Prisoner*, has bought his own number six this time the stud in a limited edition of Caterham's Super 7 model. It is a reproduction of the green and yellow Lotus 7 used by McCoolan in the series.

I A motorcyclist's nightmare is hitting a wet patch his or she cannot see. Diesel fuel, which is colourless and often escapes from heavy goods vehicles, is one of the biggest problems. Now, government rules force better maintenance of fuel tanks to prevent future spillages.

All-terrain vehicles, more popular than ever, are now being used as more than go-and-show cars. Specialist firms are refining them to increase their versatility

One more for the off-road

Mitsubishi's Shogun looks an unlikely candidate for a performance vehicle, but the V6 turbo conversion by Brodie Britain Racing (BBR) gives it 260bhp for high acceleration in the mid-speed range, although it is a bumpy vehicle.

Customers asked BBR to give the Shogun more power for easier towing and safer overtaking and more than 250 conversions have been carried out on the four-cylinder version. Now the company, in Brackley, Northamptonshire, has added turbo to the V6 model and given a new dimension to a vehicle previously considered a comfortable

workhorse. The upgraded Shogun, with an automatic gearbox, is a pleasure to drive, and the power, when the turbo opens up, is ideal for overtaking.

Top speed is 101 mph (112 mph with manual gearbox) but 0-60mph in 9.9 seconds is respectable for any car, let alone an off-road multi-seater equipped with an altitude and an inclinometer, which warns off-road drivers how far the vehicle is leaning over.

Jeremy Russ, BBR's public relations manager says: "This is not a car for the boy racer, but for somebody who wants smooth power and relaxed driving. Customers are mainly

people following country pursuits. The converted Shogun is usually a second car for the hunting, shooting and fishing fraternity. It is very versatile.

To produce the Shogun turbo conversion, BBR used its competition experience, gained while preparing Mitsubishi's Starion for race trim over several seasons and from racing a Ford Sapphire Cosworth. Power is boosted

more than 56 per cent, and torque rises 68 per cent, substantially increasing pulling power, essential for the sort of customers going to BBR, who often want to pull trailers or caravans.

The V6 gets a full Garrett

turbo assembly, modified fuel injection and a reprogrammed engine-management system, which increase power and improve the fuel economy.

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rough with future.

Off The Record in mood for another fruitful excursion

By MANDARIN
(MICHAEL PHILLIPS)



HOPES of a Yorkshire-trained winner of the King George at Ascot tomorrow will be pinned on Sapience, Jimmy Fitzgerald's challenger from Malton. Today, they lie with Off The Record, who has made the long journey from Chris Thornton's Middleham yard to contest the Brown Jack Stakes.

Off The Record won the valuable Commonwealth Handicap on Eclipse day at Sandown on his last trip south. He was well ridden on that occasion by Michael Roberts, who is in the saddle again.

Earlier in the season, a few unflattering remarks were being said about Off The Record, but at Sandown he could not have raced more willingly for Roberts as he ran strongly up the hill to hold Nafzawa and Folk Dance.

Perhaps, his confidence had been boosted by that very easy victory on the all-weather track at Southwell two weeks earlier. Whatever the reason, Off The Record looked in fine fettle and I believe he can still hold Crystal Spirit, Make Contact and Northwold Star, who were all behind him at Sandown.

Admittedly, it was Make Contact's first race of the season and he has won since at Newbury where he just managed to hold Janiski. On 3lb better terms, the latter has the better chance now, at least in theory.

Penny Forum has looked in good form the twice he has been to Chester recently, while Hail Caesar could turn out to be a decent stayer. However,

Thornton raids Ascot with Off The Record

the handicapper has taken no chances with him on the slender evidence available and I much prefer Off The Record.

Bertie Wooster, who won the Ha'velet Handicap two years ago, is the only course and distance winner in today's field. On his last visit to the track he was an honourable fifth in the Wokingham Stakes on the final day of the Royal Ascot meeting.

On that run there should be little between him and the Wokingham fourth, Bosca Rose, who has run well since at Newmarket. However, I doubt whether they can concede the generous weight allowance to Mardinsky, who will relish the step up in distance after finishing second to Loft Boy over five furlongs at Sandown last time. A 7lb penalty incurred when winning at Ripon a week ago could prove just too much for Dry Point.

As Silca An' Key was so disappointing last time, I

think the way looks clear for Bertie, who started favourite for his only race at Newmarket last autumn, to win the Cranbourne Chase Stakes and thus spark off a double for his owner Khaled Abdulla and jockey Pat Eddery, the double to be completed by Dangora beating her fellow debutantes in the Virginia Water Maiden Stakes.

As for the EBF Sandwich Maiden Stakes I am concerned, the word from Newmarket is that Sam Serfer has shown the requisite promise there to suggest that he can unhinge Matalib, who was beaten half a length by Mohawk Chief at Yarmouth earlier this month.

As Iron, Curtain Call and Fact Finder are formidable older rivals for Absalon in the Chester Apprentice Handicap, yet the way that Richard Hannan's three-year-old ran away with a much more valuable race at Newmarket last Saturday indicated that he ought to be followed again.

Mel's Rose is nominated as the day's best bet though to win the Avenue Handicap at Yarmouth following that heart-warming first run of the season a week ago at Newmarket, where he finished third behind Fedoria and Parliamant Piece.

At Pontefract, Bijoux D'Or gain his treble by winning the St John Ambulance Stakes while at Carlisle, Peter Savill's colours should also be carried to victory by Dwayne Lukas was the leading buyer, spending \$1.16 on eight yearlings, the top price of the session belonged to Japan's Tadahiro Hoshima. He spent \$750,000

on a son of Caro by Raise An Heires.

In all over the three days of the sales, 324 lots were sold for \$93,250,000 for an average of \$287,948. This compares with last year's figures, which grossed nearly \$318 million for an average of \$318,111.

However, it would be unwise to attribute the falling prices at the Keeneland July sale simply to the continuing downward adjustment of bloodstock prices.

Keeneland has been busy expanding its September sales and this year will have 3,700 yearlings on offer. That factor has gradually detracted from both the glamour and the enormous prices once so strongly associated with Keeneland in July.

White American buyers came

into their own on Wednesday,

British interests accounted for

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Hobday and Waites benefit from being in the slipstream of a past master displaying superb form on the Ailsa course

Palmer proves inspirational partner

MIKE WILKINSON

By MITCHELL PLATTS
GOLF CORRESPONDENT

ARNOLD Palmer proved an inspiration at Turnberry yesterday when he earned a share of the first round lead in the Volvo Seniors British Open with a superb 66, four under par, on the Ailsa course.

Alongside him in the hot sunshine, Brian Waites also had a 66 and Simon Hobday a 67. The charismatic Palmer, of course, played the leading role, but his two partners refused to be cast in mere supporting roles.

Palmer is 60 and Waites and Hobday have only recently turned 50, but much more than ten years separates them. Palmer could make another million or two dollars tomorrow simply by putting his signature to another contract. Waites and Hobday are looking to make their first and

might well do so on the US PGA Seniors Tour for which they must first qualify.

Palmer was in that hump-up-the-pants-and-give-it-a-rip mood when he teed off. He sent an eight-iron to 18 inches at the second and a wedge to two feet at the third. What worried him was his putting and three stabs from 20 feet at the fifth and a missed putt of ten feet for a par at the next suggested that the American legend was a condemned man on the greens.

Palmer, however, erased self-doubts with a succession of simple putts and four more birdies. "I should be thankful for that," he said.

Most certainly the spectators were thankful and Hobday was one of them. "I had never played with a putter in his hands. Yet a few months ago his putting was giving him a bigger headache than any potent mixture at the bar could cause. Happiness for Hobday is an ugly putter of the long-handled variety. It is a Ping with two shafts and a life-saver according to its owner. Hobday had fallen victim to the yips and he was having to set car alarms to exist.

"It's given me another chance. I could make a million out there on the US Tour; it's certainly better than roulette," he said. Hobday holed putts of 30 feet and 40 feet, the type Palmer would hole when he was charging, for two of four birdies in the last eight holes and Waites, home in 32, with three of his five birdies, was more than content. Dean Beman had four of his six birdies in an inward half of 31 for a 67, with Bob Charles (68), the defending champion, and Gary Player (69) giving the leader board a nostalgic look.

LEADING FIRST ROUND SCORES (British and Irish unless stated): 66: A Palmer (US), B Waites, 67: D Donelan (US), S Hobday (US), 68: B Charles (US), 69: G Player (SA), A Beding (Can), N Coles, J Carr (US), 70: T Rice, H Jackson, F Roots (US), K Marshall (US), 71: C McIlroy, J Davis (US), B Smith (US), 72: S McAllister (US), T Goss (US), C Morris (US), 73: C Monteiro (US), M Person (US), 77: C Montgomerie (US), M Fazio (US), 78: J Huston (US), V Singh (US), P Theel (WVG), S Richardson, V Fernandez (Arg), M Martin (US), J Clegg (US), 79: D Gifford (US), M Studds (US), J Davis (US), B Smith (US), O Moore (Aus), B Morris (US), 81: Stephen (US), 82: R Neal (US), D Soper (US), C McIlroy, S Murray, W Gale, W Hector, J Wilkins, 71: R Rider, H Boyle, D Simon, P Chapman, M Rice, J Rasmussen (Den), N Briggs, A Hunter.

* denotes amateur.



Burning up the course: Palmer on the way to sharing the lead with a 66 yesterday

Calcavecchia still among the toilers

From a SPECIAL CORRESPONDENT
IN ZANDVOORT, THE NETHERLANDS

MARK Calcavecchia put himself in danger of another embarrassment when he bogeyed the last four holes of his first round in the KLM Dutch Open yesterday. Calcavecchia, who arrived in Europe ten days ago as Open champion, surrendered his title to Nick Faldo without getting beyond the second round at St Andrews.

Yesterday, on a course of fair length and difficulty with just as many pitfalls for the unwary as the famous Old Course, he could do no better than 75, which left him six strokes behind the seven players sharing the leadership.

The normally loquacious Calcavecchia was for once speechless as his putter first failed to budge the wounds caused by his wayward driving, then went sick on its own account in the closing stages.

A seven at the 12th, his third hole, consigned him to a uphill task and although he had two birdies and one pair in the last 11 holes, his finish of 5-6-5 left him in danger of an early departure.

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Britain take lead after dressage stage of world three-day-event championships

Inspiring start by Powell

From JENNY MACARTHUR IN STOCKHOLM

RODNEY Powell and the Irishman made an inspiring start to Britain's defence of the world three-day event team championships in the Royal Park of Djurgården here yesterday when they went into the lead at the end of the first day of dressage.

His performance followed a superb test, earlier in the day, from Karen Straker on Get Smart — their joint scores giving Britain a 10-point lead ahead of Sweden and the Netherlands at this early stage of the competition.

Sweden's score was boosted by a good performance from the British-based rider Eric Duvalier on High Tea who is in second place — less than a point behind Powell. Matthias Baumann, an Olympic team gold medal winner in Seoul, is lying third on Alabster.

Powell, Britain's reigning national champion, is hoping that these championships will mark a change in the bad luck

which has dogged him in international competition — most recently at the European Championships last year where the Irishman, lying in the individual silver medal position, failed the final horse inspection.

There were, ominously, moments in the trotwork yesterday when the 11-year-old gelding — but the judges evidently attributed this to the horse's unusual action.

Powell said afterwards that he had only worked the horse for 25 minutes before the test — in order to save his energies for tomorrow's cross-country which, he says, is the biggest course he has had to tackle.

Straker, who replaced Lorna Clarke and the injured Fearless Mor in the team at the last minute, has been swift to justify her inclusion. Her increased confidence, reflected yesterday, should stand her in good stead tomorrow.

IEF to stamp out cruelty to horses

STOCKHOLM — Count Dieter Lüding-Velen, the president of the West German Equestrian Federation, announced here yesterday that, following further allegations of horse abuse against West German riders — made in this week's issue of *Stern*, the West German magazine — the federation planned to make all riders longitudinal for a championship, in any discipline, sign a contract stating that his stable would be available for a snap inspection (Jenny MacArthur writes).

The accusations of cruelty made earlier this month against Paul Schenkemöhl, the West German trainer, because of his method of "rapping" horses to make them jump higher pale beside the latest allegations.

Frankie Sloothaak, a pupil of Schenkemöhl's who withdrew from the World Equestrian

Games last week to show solidarity with his employer, is now alleged — by a former employee who wishes to remain anonymous — of using electrically charged spurs on his horses.

In the same article Kurt Gravenmeier, also a leading international show jumper, is alleged to be a former groom — who wishes to remain anonymous — to bludgeon his horses legs with a substance which makes them more sensitive to pain — thus discouraging them from hitting a fence.

Both riders deny the allegations.

The International Equestrian Federation, whose president, the Princess Royal, is determined to stamp out any forms of horse abuse within the sport, is expected to make a statement today.

POLO

A sluggish side lets Reid down

By JOHN WATSON

IN THE qualifying round for the medium-goal Harrison Cup, played off at Ambersham, Sussex, yesterday, Ellerton Black beat Mill Farm (received 1½) 8-3½ and Frasers beat Pakistani International Airlines (received 2½), 8-5½.

Mill Farm were pipped on the six-goals, Derek Reid, who played energetically and nimbly but was insufficiently supported by his forwards, who were not quick enough. Nor did his side mark their opposite numbers with the required vigilance.

For Ellerton Black, the No. 2, Will Lucas, mounted on splendid ponies from John Horswell's string and well backed by Luis Llorente, was usually riding loose and well forward. He opened the account from the saddle of the exceptionally fast New Zealand pony, Tiffany, and, in the second chukka, scored twice to overtake the Mill Farm handicap advantage. Eventually, Lucas took six of Ellerton's eight goals.

Play had been less in this chukka than a week, gallantly entered this tournament with 20 hired ponies. And considering they faced Frasers, who are centred on the all-England eight-goals, Julian Hipwood, formidably supported by Will Lucas's brother James, they did well to be in the lead as late as the fourth chukka, when Frasers overtook them at 6-5½.

These encounters were followed by matches in the qualifying round for another Goodwood week tournament, the four-chukka Holden White Cup. Marabunta beat Mike and the Mechanics (received ½) 7-1½, and the Barbados quartet, Holders, beat Kent Cell 2-0.

ELLERTON BLACK: 1, T. Hally (1); 2, W. Lucas (3); 3, L. Llorente (6); back, J. Hipwood (3).

MILL FARM: 1, P. Reid (2); 2, D. Jamison (4); 3, D. Reid (5); back, J. Hipwood (3).

FRASERS: 1, T. Hally (2); 2, D. Jamison (3); 3, J. Hipwood (6); back, C. Ellerton (1).

HOLDERS: 1, C. Dabell (3); 2, Abdus Sattar Khan (3); 3, Ashwara Twanna (3); back, Shafiq Alsan (3).

ELLERTON BLACK: 1, R. Omer (4); 2, J. Wade (4); 3, P. Chardwell (5); back, A. Battison (1).

MIKE AND THE MECHANICS: 1, M. Hedges (2); 2, G. Roddick (1); 3, O. Ellis (5); back, T. Hally (2).

RED CELL: 1, R. Fattal (1); 2, C. Bether (4); 3, D. Morley (3); back, P. Hewett (4).

HOLDERS: 1, M. Secord (2); 2, S. Williams (3); 3, J. Dabell (3); back, J. Kell (1).

GOODWILL GAMES

Soldier seeking his fortune

From DAVID POWELL, ATHLETICS CORRESPONDENT, SEATTLE

AT AN age which few athletes reach before retirement from the international circuit, Hammon Bouteayeb is just beginning. He won a track race for the first time and it earned him a Goodwill Games gold medal.

It was lucky we found him before he was too old, Vicente Modahl, his manager, said after winning the

Bouteayeb is 34 and was content to be a soldier in the Moroccan army, before Said Aouita took an interest in him. That was two years ago. Last season, his second on the track, he improved on his first, but not enough to indicate what would have finished twelfth in the world cross-country in March. "If Bouteayeb had broken the world record, he would have got something," Modahl said. "I am sorry I did not win it because that is what I was here for," Bouteayeb said.

The incentives help to explain why the Moroccans now have a backing group for Aouita, a

young man from Ifrane, who is not yet 20, and who has no choice, the only sport he can afford is running.

A summary of Morocco's talent includes Stah and Mohamed Issa, two of the four fastest 5,000 metres runners in the world this year: Brahim Bouteayeb, Olympic 10,000 metres champion; and Hamou Bouteayeb. Not forgetting Aouita, of course, who is back in training after an operation to relieve compartment syndrome with a view to making his comeback in Hengelo, The Netherlands, on August 12.

Carl Lewis, having lost in the 100 metres to Leroy Burrell, at least maintained his extraordinary long jump record. He won his 64th consecutive competition with a distance of 8.38m. Millen Powell, his fellow American, made a good contest out of it and was only four centimetres behind. Lewis was last beaten in 1981.

So far, he has had a derivative effect among top players.

I hope that when the proposal to increase the number of clubs in the first division is discussed at next week's League meeting, the opinions of the players and managers are sought ... Taylor said.

When I was managing in the first division I found there were 18 clubs in having a 38 rather than a 42-match schedule. We are able to prepare for matches more thoroughly and there is time available to recover from injuries."

• West Bromwich Albion, who won the League Cup in 1966, have a difficult first-round tie in

RESULTS FROM SEATTLE

ATHLETICS: Men's shot: 1, R Barnes (USA) 17.44m. Long jump: 1, C Lewis (USA) 8.38m. Discus: 1, H. Bouteayeb (Mor.) 48.30m. 100m: 1, D. Powell (USA) 10.20m. 400m: 1, S. Aouita (Morocco) 47.42s. 3,000m: 1, N. Shchekulin (USSR) 8.61.82m. 1500m: 1, N. Shchekulin (USSR) 3:49.20. 10,000m: 1, D. Powell (USA) 2:49.20. 110m H: 1, C. Lewis (USA) 13.70m. 400m H: 1, S. Aouita (Morocco) 49.22s. 1500m H: 1, C. Lewis (USA) 3:49.20.

WATER POLO: Men's Group A: Hungary 10, Italy 12-8; Yugoslavia 9, Cuba 10; Group B: Soviet Union 10, United States 7-6; Spain 8; Puerto Rico 8; Costa Rica 8-7.

FOOTBALL

Taylor eager to restrict League programme

GRAHAM Taylor, the England manager, yesterday urged League club chairman to seek the opinions of players and managers before voting on enlarging the first division. Like the FA chief executive, Graham Taylor believes that more League games will have a derivative effect among top players.

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Victory salute: Lensing taking the individual title

Argentine team, page 34

MOTOR RACING

Senna is given a glimmer of hope

By JOHN BLUNDSEN

THE German grand prix, which marks the beginning of the second half of the 16-race Formula One world championship, will take place over 45 laps of the Hockenheim circuit on Sunday afternoon in an atmosphere of increasing speculation about the future make-up of the leading teams.

This is the time of year when rumours begin as to which drivers will be switching to different teams. Nigel Mansell's decision to retire at the end of the season has served fanned the flames of speculation.

Of immediate concern is the renewal of the battle for grand prix supremacy between the Ferrari and McLaren teams, which is causing the drivers' world championship to look increasingly like a head-to-head confrontation between Alain Prost and Ayrton Senna. After three successive victories for Prost, Senna badly needs to win on Sunday to give him a realistic chance of regaining the title.

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Britain's most successful runner, the 18-year-old Graham Bouteayeb, has had two attempts this month and failed both times: the first was in Oslo, when he was beaten by Salvatore Antibo, of Italy, in an epic race. Might Aouita's advice not have been that he would not learn how to win races before challenging world records?

That was right on Wednesday when a field including John Ngugi, the Olympic champion, and Addis Abebe, the world junior champion, he held firm well enough, once the record schedule had slipped away shortly before eight kilometres to keep his pursuers at a distance. His time, 27:21m 26.43sec, was a second better than in Oslo but 16 seconds better than Abebe, in second, and Ngugi in third.

So his wife and two children, living modestly in Ifrane, will have to wait for a better standard of living. Khalid Shah received said after winning the

RUGBY UNION

Dooley is back in training for England

From DAVID HANDS
RUGBY CORRESPONDENT
BUENOS AIRES

A RELIEVED England party welcomed Wade Dooley back when they trained at the Lomas Atletico Club here yesterday. Dooley, who will become the most capped England lock in the international with Argentina, has now recovered from a shoulder injury which has been a problem for him since he was 15. He has been a full part in the morning's workout.

"We are 99.9 per cent certain that Wade will be fit to play," Geoff Cooke, the manager, said.

The x-ray was as much for his own peace of mind as for Dooley. It will be Dooley's 50th appearance for England, carrying him ahead of Bill Beaumont, the former England captain, and his value to a team so bad in need of a boost to morale can hardly be over-emphasised.

The party trained for nearly an hour by coach through the southern suburbs of the city to Lomas to use the only power-assisted scrummaging machine available. Buenos Aires, it can be seen, is not a place for the replacement hooker, for the morning since he trapped a nerve in his back bending down to scrummage but he recovered.

It seems likely, judging by training over the last two days, that much of the responsibility for tactical kicking against the Pumas will pass to Will Carling at inside centre, while David Pease finds his feet in international rugby. Simon Hodgkinson's accuracy as a kicker will be tested, too, though since his seven penalties against Cuve in Mendoza on Tuesday constitute a record for a senior English side.

Hugo Porta, the former Argentina stand-off, holds the world record for the number of penalties kicked in an international, with seven against France in Buenos Aires in 1974. The most points scored by any England player on tour is 36 by Neil Bennett (Bedford) against Western Australia in 1975.

TENNIS

Best of Durie just fails to earn first rubber for Britain

From BARRY WOOD IN ATLANTA

JO DURIE rose magnificently to the occasion but just short of victory as he surrendered, 7-6, 5-7, 6-4, to Barbara Paulus, of Austria, in the quarter-finals of the Federation Cup yesterday.

The match took 2½ hours, and finally hinged on a break of service as the deciding set got underway. Three forehand winners from Durie were equally relieved that x-ray photographs had shown no further rib damage other than bruising and played a full part in the morning's workout.

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While Paulus rallied strongly from the baseline, relying largely on a very capable forehand,

RIFLE SHOOTING

Tomlinson claims top prize

SPORT

FRIDAY JULY 27 1990

Gooch leads the onslaught

By ALAN LEE
CRICKET CORRESPONDENT**LORD'S** (India won toss): England have scored 359 for two wickets against India

GRAHAM Gooch spent the entire opening day of this Cornhill series demonstrating to his Indian counterpart the error of his ways. By the close of play, Mohammad Azharuddin can have been in no further doubt that he was wrong, calamitously wrong, to put England in to bat as Gooch rushed to the brink of his first double century in Test cricket.

Given the make-up of their team, and the blissful weather, India's best route to victory simply had to be by dictating the game with the bat. Azharuddin, for reason best known to himself, surrendered first use of an easy-paced pitch and Gooch, as surprised as he was grateful, sentenced him to an indefinite period of repentence.

If there was an attacking theory behind the decision, Azharuddin was clutching at elusive straws. If his motivation was negative, protecting his batsmen from the real or imagined perils of a first morning at Lord's, he was misguided.

In 1986, Kapil Dev inserted England and won by five wickets, but yesterday's entirely different conditions gave the batting side an early chance to impose authority on this series.

Gooch, continuing the most prolific period of his career despite the discomfort of an ear infection, ensured that the gift was not spurned.

Surviving the first session with occasional good fortune, principally when badly missed by the wicketkeeper, More, on 36, Gooch was thereafter in complete and majestic control. A century, his fourth in consecutive first-class matches and his thirteenth of the season in all cricket, came with a sense of inevitability. It was, however, no more than a basis for negotiation as he proceeded to lift his average for the season above 100.

The longer the day went on, the more one-sided it became. India's bowling was toothless and their fielding sometimes wretched. Gooch put on 127 with David Gower, the subject of a highly dubious umpiring decision, and another 218 with Allan Lamb, the subject of further generosity from the hapless Azharuddin, who spared him the early ordeal against spin which so plainly inhibits him.

The unbroken third-wicket stand is a record for England against India, and to add to the orgy of statistics, Gooch and Lamb became the first players ever to score four Test centuries at Lord's.

It was as disastrous an opening day as the most



In control: Gooch, the England captain, beats the dive of Manjrekar at forward short leg on his way to an unbeaten 194 at Lord's yesterday

Why India should have heeded wisdom of W.G.

By JOHN WOODCOCK

optimistic Indian can have sunlight for his seventeenth Test appearance at Lord's. No one has played on the ground more times and, now, no one has scored more runs here. When he reached 21, Gower passed the previous record aggregate at Lord's, held by Boycott.

There was one sumptuous cover drive amid some dedicated defence. Gower had something substantial in mind but, when he had made 40, he thrust forward to Hirwan and the ball flew to silly point, held by Boycott.

England have not enjoyed such a day with the bat, at home, since the final Test against Australia in 1985.

Gooch made 196 that day, his highest Test score, while Gower, then the captain, made 157. For much of yesterday it seemed that the same partnership was to dominate again.

Umpire Plews's raised finger penetrated even the ice-cold exterior of Gower. His head went back, a disbelieving message was muttered to the heavens and, as he departed, he tapped the ball back into the stumps.

Gooch reached his hundred with a four through mid-on against Sharma. He repeated the shot next ball and, though pleased with it, was now in that subconscious mode, formidable to watch, hurrying purposefully around the crease between balls as if anxious for the next offering.

After tea he saw Hirwan out of the attack with a series of emphatic sweeps, and Sharma, who had grazed in the outfield for too long, was brought back. It was now too late to disorientate Lamb, who was on the way to a century scored off only 122 balls. Only by comparison with Gooch did he suffer and both may have a good deal more to offer today.

• The England batsman, Alec Stewart, is likely to return for Surrey in the county championship match with Gloucestershire at Cheltenham tomorrow. He has been sidelined for the past ten days with a back strain and will have a fitness test today. The team coach, Geoff Arnold, said: "It looks almost certain he will play."

HAVING gained a priceless advantage by winning the toss at Lord's yesterday, India at once handed it back by putting England in. It was the last thing they could afford to do and the first thing they must have regretted.

The first Test match I ever saw, in 1936, was between England and India at Lord's. Then, too, the captain successful in the toss chose to field.

"On a fine morning following hours of rain, Allen, captain

England for the first time, took the always debatable step of putting his opponents in," Wisden said. Then, though, India were nothing like as experienced in batting as they are now, and although Verity was "disappointing in length" and Vijay Merchant and D. H. Hindlekar made 62 for India's first wicket, England went on to win easily enough.

What made yesterday's decision so unaccountable was that if England have anything to fear from India's bowlers it is from their spinners towards the end of a five-day match. It was always going to be such a perfect day for batting, too — as warm and bright as England has to offer — and India have been batting so well. At Edgbaston three weeks ago, when New Zealand put England in, John Wright, their captain, would never have done it without first asking Richard Hadlee whether he liked the idea of bowling; but then, as now, England, given the chance, had made themselves virtually safe from defeat by the close of the first day.

Not that England themselves always get these things right. We have never suffered more than when David Gower put Australia in at Headington last year, unless it was at Brabourne in 1954, when Len Hutton did the same; a course he was virtually committed to taking when, 48 hours before the start, he announced an England side without spinner. Bill [Edrich] will probably bowl some off-breaks," he said, as though we were meant to believe it.

For the state match against Queensland the pitch had offered the quicker bowlers much early assistance. It had been a good first morning on which to bowl. At the Gabba it often is. But as soon as the Australians knew that England were virtually certain to field first in the Test-match the curator made sure, as he was bound to do, that the pitch was at its best on the first two days. I can see him now at work with his scythe before the start. Australia declared at 601 for eight and England lost an innings and 154 runs.

Peter May and Bob Willis both put Australia in at Adelaine of all places, and lived to regret it. May saw it as his last chance of getting back into the series (I fancy he wanted, too, to delay for as long as possible the moment when he would have another England batting collapse on his hands) and Willis acted, it seemed, in a moment of perversity. It was W. G. who said there is no harm in thinking of asking the other side to bat so long as that is as far as it gets. If things have changed since his day — and there are times when it has made every sense to field — the Indians will know now why he said it.

The ball was moving around, but we did not bowl well after that first session. But it is a good pitch, and it is up to us to bat well when we face their big total."

Captain unrepentant

THE decision to put England in at Lord's has caused a rift between Azharuddin, the Indian captain, and Bedi, the team manager, who clearly feels Azharuddin made the wrong choice. But the captain stood by his decision even though centuries by Gooch and Allan Lamb have already put the game beyond India's reach.

"I don't know why they were put in — you had better ask the captain about that," Bedi said last night. "I think our batsmen would have wanted to bat first. Personally, I would have wanted to bowl

on that wicket in the fourth innings."

Azharuddin, however, pointed out that India had dismissed Atherton early on and that Gooch had been caught when he was 36.

"We had a very good morning session. We should have had Gooch out cheaply and if that wicket had gone down it could have turned into a very good start," he said.

The ball was moving around, but we did not bowl well after that first session. But it is a good pitch, and it is up to us to bat well when we face their big total."

Coach dismissed after letter to Gorbachev

SYDNEY (Reuters) — A letter to President Mikhail Gorbachev from an incensed Australian rugby union supporter has led to the dismissal of the Soviet Union's leading rugby coach and two players.

Craig Moran said yesterday that he had sent a letter addressed to "Mr M. Gorbachev, The Kremlin, Moscow" two days after the Australian captain, Nick Farr-Jones, had his jaw broken by a punch from an unidentified Soviet player in Sydney on March 28.

In the letter, which was accompanied by press clippings deplored the incident. Moran expressed his "disgust" at the touring Soviet team's behaviour. "If this recent display is an indication of how you would like to see the game played, it reflects poorly on your country," Moran, a recruitment agent in the computer industry, wrote.

Nothing happened for four months but earlier this week Moran said he received a

Choice of course leads to problems

By MITCHELL PLATT, GOLF CORRESPONDENT

DEANE Beman, the US PGA Tour commissioner, believes that the Masters and the United States Golf Association (USGA) face "huge problems" because of the controversy surrounding the composition of a club's membership. The USGA is likely to follow suit to eliminate any similar problems concerning the US Open.

The United States Professional Golfers' Association, organisers of next month's championship, has already stated its intention to review the policy of selecting venues primarily to take into account the composition of a club's membership. The USGA is likely to follow suit to eliminate any similar problems concerning the US Open.

Beman said that he would be taking stock of the situation when he returns to his office next week, although he does not expect the US PGA Tour will have a problem.

Bad timing by new sponsor of League Cup

By STEVE ACTON

NATIONAL

Power's proposed four-year £4 million sponsorship of the Football League Cup was the source of further embarrassment yesterday, when the nationalised company announced losses of £605 million and 5,000 redundancies.

The announcement raised doubts as to whether the company could be privatised in its present form, and more immediately, whether the time was right for the football sponsorship; even though £4 million would represent only modest expenditure by National Power, its timing was hardly diplomatic.

Obviously, it is something we are interested in or we would not have got into discussions with the League.

Asked when an announcement would be made, Schooler said: "I do not know. It is still being discussed at board level."

National Power would not need Government permission for the proposed sponsorship and Schooler said: "It is up to the directors of National Power to say whether it is worth the money or not."

When asked if the League had acted prematurely this week by stating its intention of making a sponsorship announcement linked to the draw, Schooler said: "The League is belatedly announced the first-round draw yesterday but delayed once again the announcement of a new sponsor."

He hinted that the League had acted prematurely this week by stating its intention of making a sponsorship announcement linked to the draw, Schooler said: "The League is belatedly announced the first-round draw yesterday but delayed once again the announcement of a new sponsor."

Andy Williamson, the League's assistant secretary, said he was disappointed that a deal had not been concluded this week. He added: "We are still hopeful that sponsorship can be concluded with National Power before the start of the season."

He hinted that the League had alternative sponsors standing by. "First refusal still lies with National Power but our commercial department does have other irons in the fire," he said.

National Power, which paid £2 million to ITV's official sponsor during the World Cup, had been expected to provide sponsorship worth £1 million a year linked to the retail price index.

League Cup draw, page 37

Johnston is sent home

MO JOHNSTON, the Scotland forward, flew home in disgrace yesterday from Rangers' training centre in Italy following a dispute with the manager of the club, Graeme Souness.

Johnston was understood to

have been involved in a late drinking session at the training centre in the Tuscan hills.

Souness said: "Maurice Johnston and I have had a disagreement on the standard of discipline that is required at Glasgow Rangers."

Moorhouse equals record yet again

By CRAIG LORD

ADRIAN Moorhouse reacted with anger and delight at equaling his 1m10.01.49sec world 100 metres breaststroke record at the TSB national swimming championships at Crystal Palace last night.

In matching his best time, the Olympic champion, aged 26, became the first British swimmer to set a world metric record at home since 1958. In the process he pulled his City of Leeds team-mate, James Parrott, to the second fastest time in the world this year.

Moorhouse thought certain, but Moorhouse's stroke shortened as he tired in the closing stages. Parrott touched two strokes behind in 1:02.09sec, beating all the times recorded in an Olympic standard final at the Goodwill Games in Bonn a year ago, to be followed by his victory at the Commonwealth Games in January.

He said: "I thought it was a sick joke. The last time I equalled the record I was disappointed, this time I am angry. I am sure I can go much faster. Under 1:01.49 is definitely a world record. I tied up in the last 10 to 15 metres and that's lack of rest. There's a lot left yet."

Moorhouse, who is aiming to break his record at the

International European Cup in Rome in two weeks time, said that having Parrott on his shoulder throughout the race had helped him.

Moorhouse, who turned a fraction ahead of Parrott in 28.8sec, at the 50-metre mark, his fastest in a 100-metre race, opened his shoulders going out of the turn. The change of gear brought the crowd to its feet. They saw Moorhouse surge half a body length ahead.

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